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# ***Daily Report***

## **East Asia**

FBIS-EAS-88-239  
Tuesday  
13 December 1988

# Daily Report

## East Asia

FBIS-EAS-88-239

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13 December 1988

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**UNHCR Official on Repatriating Vietnamese Refugees**  
*BK0912143888 Hong Kong AFP in English 1431 GMT  
9 Dec 88*

[Text] Kuala Lumpur, Dec 9 (AFP)—The first voluntary repatriation of Vietnamese refugees from Hong Kong may take place before the end of the year, an official of the United Nations High Commissioner for Refugees (UNHCR) said here Friday.

Sergio Vieira de Mello, head of the UNHCR Bureau for Asia and Oceania, said that some 320 Vietnamese in Hong Kong camps had applied to go home.

"If it (the repatriation) does not take place in 1988, it is very likely to take place very early in 1989," he said.

"This is a test case. We are hopeful that it would create a new momentum for a reversal of trends," Mr. De Mello told a news conference at the end of three days of informal UNHCR talks on the problem of Indochinese refugees.

He said that a Vietnamese delegation would be in Geneva next week to discuss an orderly departure programme for the refugees and would be asked to work out a timetable for those who wished to return.

He said that smaller groups were expected to be repatriated from Malaysia, Thailand and the Philippines.

The talks, leading to a United Nations conference on Indochinese refugees next year, made headway Friday when a list of points for a plan of action was drawn up at the end of the meeting.

Mr. De Mello said the talks attended by 17 countries including Vietnam and Laos, had dealt in great detail with the issue of clandestine departures by boat people and their resettlement from countries of first asylum.

Voluntary repatriation and the return of people not recognised as refugees were also discussed at length, together with a screening mechanism to sort out refugees from other migrants, he said.

Mr. De Mello said Vietnam had indicated it would only take back people who volunteered to return despite calls by some countries for those not recognized as refugees to be sent back.

"The differences are not very significant. They can be resolved with good will and a spirit of compromise," he said, adding that for the moment efforts towards a solution would have to concentrate on voluntary repatriation.

There were some reservations about the introduction of a screening process, which only Hong Kong was using, because countries of first asylum were concerned with the fate of those who would be rejected, Mr. De Mello said.

He said that although the UNHCR promoted screening, the problem of those screened out remained difficult.

The Hong Kong screening system was designed to separate refugees who left because of religious or political persecution from those who left for economic reasons, the latter classified as illegal immigrants and eventually repatriated.

The UNHCR is expected to work in the next few weeks on a draft document which will be discussed at a preparatory meeting before the main conference expected to be held at the end of February or in early March.

## Japan

### **Takeshita Thanks Mansfield for Good Ties**

*OW1312044888 Tokyo KYODO in English 0317 GMT  
13 Dec 88*

[Text] Tokyo, Dec. 13 KYODO—Prime Minister Noboru Takeshita thanked outgoing U.S. Ambassador Mike Mansfield Tuesday for his contribution to strengthening Japan-U.S. relations, a Foreign ministry official said.

Mansfield, who met Takeshita for 20 minutes at the Diet building, reiterated that the U.S.-Japan relationship is the greatest bilateral relationship in the world and that the ties must be strengthened further, the official told reporters.

The U.S. ambassador, who is leaving for home on December 19, promised he will tell the U.S. Government and Congress about U.S.-Japan relations after he returns to the United States and will try to help them understand the Japanese viewpoint, the official said.

Mansfield, the longest-serving U.S. ambassador to Japan, was quoted as saying he is sure that President-Elect George Bush will continue President Ronald Reagan's policy of strengthening Japan-U.S. relations and fighting protectionism.

There may be some ripples in Japan-U.S. relations but they will be strengthened smoothly as a whole, the U.S. envoy said, according to the official.

The prime minister told Mansfield that Japan-U.S. relations are currently so good because of Mansfield's 11-year efforts as ambassador, and that he and his predecessors, Takeo Fukuda, Zenko Suzuki and Yasuhiro Nakasone, thank Mansfield for this.

Takeshita expressed his hope of visiting the United States at the earliest possible opportunity for talks with Bush, the official said.

Mansfield told Takeshita that he is satisfied with the outcome of a multilateral trade meeting in Montreal last week, which reviewed the Uruguay round of trade talks to date.

Mansfield, 85, announced on November 14 that he will step down from the ambassadorship before Bush's inauguration as president next January.

On Monday, Takeshita invited the Mansfields to his private residence for tea and then hosted a farewell dinner party for the former Senate majority leader and his wife, Maureen, at the Akasaka Palace.

### **Takeshita Firm on Start of New Indirect Tax**

*OW1312054788 Tokyo KYODO in English 0341 GMT  
13 Dec 88*

[Text] Tokyo, Dec. 13 KYODO—Prime Minister Noboru Takeshita on Tuesday rejected an opposition demand and said the government will impose a 3-percent indirect tax on April 1, 1989, as planned.

The prime minister told the House of Councillors' tax system committee that he is sure that the Japanese people share the perception that a tax reform is necessary.

Takeshita was replying to questions from Keisuke Shiode and Akinori Mineyama, both of the No. 2 opposition party Komeito, on the second day of full-fledged discussions of six tax bills at the upper house committee.

Takeshita said he is confident the people will some day consider the new consumption tax as a good one.

The six tax bills call for cuts in income, corporate and residential taxes and for imposing the consumption tax on all types of goods and services.

The House of Representatives passed the bills in mid-November.

### **Takeshita Urges Officials To Tighten Discipline**

*OW1312051588 Tokyo KYODO in English 0256 GMT  
13 Dec 88*

[Text] Tokyo, Dec. 13 KYODO—Prime Minister Noboru Takeshita instructed government officials Tuesday to tighten discipline in the wake of a massive insider stock trading scandal which has rocked society for the past six months, chief government spokesman Keizo Obuchi said.

Takeshita issued the order at the day's cabinet session in an effort to regain public trust in government since it was disclosed that two former vice ministers were involved in the Recruit scandal.

Obuchi, the chief cabinet secretary, quoted Takeshita as telling the cabinet that he strongly regrets that a few officials in managerial positions pursued personal profits and helped the public lose trust in the administration.

The prime minister urged government officials to be cautious about contacts with business quarters concerned with their duties, Obuchi said.

Takeshita urged officials, particularly those in managerial positions, to take the initiative to exert self-restraint and tighten discipline.



Kunio Takaishi, former vice minister of education, and Takashi Kato, former vice minister of labor, were among 159 people who made huge profits through the purchase of unlisted Recruit Cosmos shares at bargain prices and their sale after the stock went on sale to the public over the counter.

Obuchi will issue a detailed order on Friday urging government officials not to buy unlisted stocks, not to help fund-raising parties on behalf of politicians and not to receive golfing, wining or dining favors.

#### **Design Work on FSX To Begin in March**

*OW1312105888 Tokyo KYODO in English 1000 GMT  
13 Dec 88*

[Text] Tokyo, Dec. 13 KYODO—Japanese and U.S. defense officials have agreed to begin work on designing Japan's next generation support fighter aircraft by the end of March, Defense Agency sources said Tuesday.

Mitsubishi Heavy Industries Ltd. of Japan, the main contractor, and General Dynamics Corp. Of the U.S., will soon sign a mutual assistance contract, the sources said.

Masaji Yamamoto, director general of the agency's equipment bureau, reached the accord when he visited the United States December 7-12 for talks with officials at the Department of Defense.

The two countries have already agreed to remodel General Dynamics' F-16 aircraft for the FSX. The development phase of the fighter project will cost an estimated 165 billion yen, agency sources said.

The Defense Agency plans to test fly the plane in 1993 and to begin deployment in fiscal 1997, starting in April Japan's air self-defense force hopes to eventually deploy 130 of the aircraft, agency sources added.

#### **Petition Filed Against Alien Registration Law**

*OW1212101388 Tokyo KYODO in English 0924 GMT  
12 Dec 88*

[Text] Tokyo, Dec. 12 KYODO—Resident Korean groups and their supporters submitted a petition of about 1,100 names to Justice Ministry officials Monday calling for an end to the alien registration law requiring fingerprinting of non-Japanese residents.

Representatives from black, Puerto Rican and Asian-American minority groups, here to commemorate the 40th anniversary of the universal declaration of human rights, also lent their support and signatures to the measure.

The petition criticized the law as an infringement on the rights of foreign residents incompatible with the declaration. The law requires all non-Japanese residents to be fingerprinted and carry registration cards at all times.

The group demanded the law's repeal, an end to the fingerprinting and registration system as well as measures to combat racism.

The petitioners called recent revisions in the law limiting fingerprinting in most cases to once only and replacing the past booklet registration with a card far from meaningful reform. Those fighting the law have urged refusal to renew or accept the new registration cards.

#### **NPA Says International Terrorism Spreading**

*OW1212094688 Tokyo KYODO in English 0852 GMT  
12 Dec 88*

[Text] Tokyo, Dec. 12 KYODO—The National Police Agency (NPA) said in a report released Monday that terrorist organizations had strong links internationally and that there is an increasing number of radicals turning to terrorist activities.

Also, in Japan, since the emperor fell seriously ill on September 19, tension has been mounting between rightists and radicals opposing the imperial system, the report said.

In April, the NPA set up a special unit for preventing international terrorism, in preparation for the Seoul Olympics.

As a result of dispatching officials to various countries to investigate terrorist activities, they found that there were intricate links between international terrorist organizations.

The Japanese Red Army was found to be linked to organizations for Palestinian liberation, a secret liberation army in Armenia, and armed revolutionaries in Lebanon, the NPA said.

A Red Army leader, Osamu Maruoka, 38, who was arrested in November last year, was found to have traveled in Southeast Asia and Europe with a passport stolen in Madrid.

In June, another Red Army leader, Hiroshi Sensui, 51, was arrested in Manila where a Philippine-based terrorist organization was supporting the Red Army's activities there.

A Japanese woman who became involved with North Korean agents while traveling in Europe and was conducting research activities in Japan and Southeast Asia was arrested in May. Five other Japanese women were found to have been contacting North Korean agents in Europe.

Inside Japan, many rightist groups have stopped demonstrating out of respect for the emperor, the NPA said. Radical groups, however, have continued to demonstrate against the imperial system, particularly at Kyoto University and Tohoku University.

In October, rightists upset by antiimperialist activities by leftists attacked a Japan Communist Party office in Ehime Prefecture.

Other terrorist activities included those by radicals opposing the secondary phase of construction work at Narita International Airport. One official involved was attacked in the street, while other received warnings to quit the committee involved in the project.

Another major trend was an increase in the number of people involved in antinuclear activities, which totaled 152,000 as of November as compared to 44,000 who participated in such activities last year, according to the NPA.

#### **Cabinet Action Program To Open Markets**

*OW1312051988 Tokyo KYODO in English 0026 GMT  
13 Dec 88*

[Text] Tokyo, Dec. 13 KYODO—The government announced an action program on Tuesday to ease its controls on economic activities to help vitalize the private sector and open up Japan's markets, government officials said.

The action program, approved at a cabinet meeting, was in line with recommendations prepared by a government advisory panel and submitted to Prime Minister Noboru Takeshita on December 1.

Relaxation of government controls is needed to improve the quality of national life and to restructure the export-oriented economy into one led by domestic demand, it said.

It states basic policy in seven areas requiring decontrol—distribution, transportation, information and communications, finance, energy, agricultural products and new business.

The government will consider a new rice distribution system based on market mechanisms, it said. Rice is currently subject to strict government regulation.

The program said the share of rice not subject to government control should be increased to 60 percent of the total within the next three to five years. It was 46 percent in 1987, officials said.

The government aims to reduce the prices of domestic agricultural products to narrow the price gap with foreign agricultural products, it said.

It said the government will promote rationalization of Japan's distribution system and free competition.

The government will also make it easier for large-scale retailers to set up new stores. The action program calls for relaxation of government controls on retail sales of liquor and tobacco.

On deregulation of finance, the government will continue to lower the minimum sum of large-lot deposits, and will create small-lot money market certificates (MMC) as soon as possible. It will also lower barriers between banks and brokerages as part of the liberalization of the financial market, it said.

#### **Economic Cooperation Council Approved**

*OW1212071188 Tokyo KYODO in English 0532 GMT  
12 Dec 88*

[Text] Tokyo, Dec. 12 KYODO—The government and the ruling Liberal Democratic Party (LDP) on Monday approved a plan to set up a ministerial council on external economic cooperation for effective promotion of Japan's overseas aid, officials said.

Approval to inaugurate the 14-member ministerial body was given at a meeting of government and LDP leaders held at the Diet building.

Its inauguration will be officially decided in a cabinet meeting scheduled for Tuesday, the officials said.

The council will be headed by Chief Cabinet Secretary Keizo Obuchi and it will include the foreign, finance, education, international trade and industry, transport and posts and telecommunications ministers.

Its sessions will also be attended by top ruling party executives, including the secretary general, the officials said.

#### **EPA Urges Expansion of Domestic Economy**

*OW1012071888 Tokyo KYODO in English 0316 GMT  
10 Dec 88*

[Text] Tokyo, Dec. 10 KYODO—Japan should sustain the expansion of its domestic demand, increase imports and maintain a stable supply of capital in order to fulfill the role in the world economy expected by its trading partners, according to a government report approved by the cabinet in Friday.

The report, compiled by the Economic Planning Agency (EPA), stressed that a continued expansion of domestic demand would not only help improve the Japanese standard of living but also help rectify worldwide trade imbalances.

Regarding overseas calls for Japan to play a role commensurate with its economic power, the report said it should allow greater access for foreign products and decontrol a variety of regulations that impede imports of them.

The percentage of imports to gross national product (GNP), stood at 6.3 percent last year, lower than the corresponding figure of 9.0 percent in the United States and that of 0.9 percent in the European Community (EC), it said.

In particular, Japan's imports of manufactured goods from developing countries accounted for only 11.2 percent of its total imports, compared with 55.1 percent in the U.S. and 33.1 percent in the EC, it said.

Focusing on international capital flow, the report urged that Japan continue policy coordination among industrial nations in an attempt to maintain stable and sound international financial markets.

The report noted that Japan accounted for 39 percent, or 9.5 trillion dollars, of the combined capital of the London, New York, Tokyo and Frankfurt money markets last year.

It also said Japan held net external assets of 240.7 billion dollars at the end of 1987 while the U.S. had a net external debt of 368.2 billion dollars.

Turning to other major economies, the report said the U.S. Should try to reduce its federal budget deficit and boost its savings.

The huge U.S. budget deficit and low level of savings are factors that have been attracting massive foreign capital into the United States, it said.

It also said the U.S. should enhance competitiveness of its manufacturing sector by improving productivity rather than relying heavily on "protectionist" measures such as those contained in the omnibus trade act.

It also said the European Community (EC) should take measures to restore the dynamism of the private sector and increase the mobility of its labor force.

The report said the scheduled EC market integration in 1992 should not erect barriers against other trading nations.

#### **Projected Growth Detailed**

*OW0912195188 Tokyo KYODO in English 0641 GMT  
9 Dec 88*

[Text] Tokyo, Dec. 9 KYODO—The Japanese economy is expected to grow at an inflation-adjusted 4.1 percent in fiscal 1989 due to solid personal spending and capital investments, a leading private think tank said Friday.

The projected growth rate for the domestic economy forecast by Mitsubishi Economic Research Institute is higher than the 3.8 percent estimated by the government.

The institute said wholesale prices will decline 0.6 percent in the next fiscal year while consumer prices are expected to rise 0.9 percent. The changes are attributed to lower international commodities prices and the yen's appreciation against the U.S. dollar.

As a result, it says Japan will sustain its non-inflationary economic growth in fiscal 1989.

But the private forecast foresees an upward trend in Japan's 1989 trade surplus from the 81 billion dollars currently estimated by the government to about 95.5 billion dollars. The institute said the trend will be due to increased exports of parts and capital goods to the overseas subsidiaries of Japanese firms and a solid global economy.

On the other hand, the researchers see the U.S. economy undergoing a slowdown in its real economic growth for 1989 to 2.4 percent from the estimated 3.9 percent for 1988.

U.S. consumer prices are predicted to rise 5.2 percent, inviting a fear of renewed inflation.

The institute based its forecast on a yen-dollar exchange rate of 117 yen to the dollar and Japan's official discount rate of 2.5 percent, the same as at present.

#### **Slower Growth Predicted**

*OW1212204988 Tokyo KYODO in English 1247 GMT  
12 Dec 88*

[Text] Tokyo, Dec. 12 KYODO—A credit bank and a major life insurance company predicted Monday that the Japanese economy will grow by 3.4-4.4 percent in real terms in fiscal 1989 starting next April.

Their predictions indicate a slackening of the growth pace compared with the current fiscal year, despite continued brisk capital spending, and personal consumption.

Yasuda Mutual Life Insurance Co. forecast a 4.4 percent growth, a slight drop from an estimated 5.2 percent for fiscal 1988.

It also said Japan's trade surplus will steadily decline to 82.9 billion dollars from an estimated 88.3 billion dollars for Fiscal 1988. This assumes that the yen's exchange rate to the dollar will average 120 yen in the next fiscal year.

Yasuda also forecast that consumer prices will remain stable and increase by only 1.0 percent, the same as in fiscal 1988 due to a decline in import prices resulting from the yen's exchange value.

It said, however, that private housing investment will decrease 2.7 percent.

Meanwhile, Nippon Credit Bank predicted the Japanese economy will grow 3.4 percent compared with its estimate of 4.8 percent for the current fiscal year.

It attributed the slowdown to the expected weakening of price-restraining factors, such as the yen's appreciation and a fall in crude oil prices.



The bank also said that despite brisk personal consumption growth will slow to 4.5 percent from an estimated 5.1 percent for the current fiscal year.

The growth of capital spending will also decrease to about 6.9 percent from an estimated 13.8 percent for Fiscal 1988, the bank said.

#### **Nomura Predicts Economic Growth**

OW1212201688 Tokyo KYODO in English 1030 GMT  
12 Dec 88

[Text] Tokyo, Dec. 12 KYODO—The Nomura Research Institute [NRI] announced Monday that Japan's real gross national product (GNP) will grow 4.6 percent in fiscal 1989 assuming a favorable continuation in personal consumption and capital investment.

NRI said the stronger yen-dollar rate, higher consumer prices supported by the possible introduction of a 3 percent general consumption tax next April, and lower interest rates could provide real domestic growth rate of 5.4 percent.

However, the institute said a decline in external demand due to slower world economic growth, and a decline in Japanese exports for the fourth consecutive year resulting from the stronger yen, is likely to restrain the overall economic growth rate by approximately 0.9 percent.

The U.S. dollar is expected to fluctuate between 110-130 yen and oil prices will remain around 14 dollars per barrel. The consumer price index is likely to rise 1.2 percent, while the discount rate is forecast at 2.5 percent, Nomura said.

Meanwhile, the research institute on the national economy said it expects the domestic economy to grow at an inflation-adjusted 5.0 percent in fiscal 1989.

The institute reported that Japan would most likely have a trade surplus of 86.6 billion dollars and a current account surplus totaling 70.3 billion dollars.

Imports are expected to rise due to production at overseas facilities, while exports should decline, it added.

#### **Mongolia**

#### **Cooperation Within CEMA To Be Reorganized**

OW1312050188 Ulaanbaatar International Service  
in English 0910 GMT 6 Dec 88

[Interview with Naranhuu, official of the CEMA Commission of the Council of Ministers; date and place not given—recorded]

[Text] [Naranhuu, speaking in Mongolian, fading into Russian translation] One of characteristic features of the present day is, of course, our reconstruction taking place in the social life of Mongolia, similar to that of the Soviet

Union and all the socialist community countries. Reconstruction within the framework of the Council of Mutual Economic Assistance demands the alteration of the internal economic mechanism in keeping with the new requirements of this cooperation. Therefore, we consider these two aspects to be closely interrelated.

The last two sessions of the council passed important decisions on elevating cooperation between the council member-countries to a qualitatively new level. The decisions envisage a total reorganization and renewal of multilateral cooperation, integrational mechanism, and entire activity of the Council for Mutual Economic Assistance. This year, a joint concept of international socialist labor division was adopted at the last (?conference) session, including a set of principles on a special comprehensive program of cooperation of the European socialist countries with Vietnam, Cuba, and Mongolia. These documents are of great importance for such developing country as Mongolia. They will help speed up the country's progress by developing new branches of industry in the chemical, electronic, and biotechnical spheres by introducing the latest scientific and technological know-how. The special comprehensive program of cooperation outlines some [words indistinct] concrete projects for collaboration.

Another complex element of the aim and reorganization and renewal of cooperation between the council countries is the creation of a single socialist market. The basic idea is to credibly create the conditions for a free exchange of manpower and other production factors, as well as food and all kind of services.

This will help bring about qualitative settlement in our integration. Therefore, these measures are not only a way to economic but also have huge political significance. [as heard] The creation of a single market is basically connected with a cooperation mechanism. In order to make the market work efficiently, it is important, first of all, to revise the price system and bring about profound changes in the credit and accounting system. First of all, it is necessary to create the conditions for a council member-country to be able to use its national currency in trade transactions and raise the role of the convertible ruble. In other words, the tasks of renewing and reorganizing the mechanism and forms of cooperation, on the whole, within the framework of the council are clear cut.

As far as Mongolia is concerned, we are working out our own position and strategy in accordance with this common task by involving in this important work experts in the related and [words indistinct].

#### **State Council To Honor Livestock Breeders**

OW1312122688 Ulaanbaatar International in English  
0910 GMT 13 Dec 88

[Text] The Mongolian Council of Ministers decided to confer every year the title of Champion Livestock Breeder of the Mongolian People's Republic on 130 livestock

breeders who would achieve brilliant performance in raising the young animals and enhancing the animal husbandry productivity. The decision comes in conformity with the resolution of the Fourth Plenum of the Mongolian People's Revolutionary Party Central Committee which discussed the issue of animal husbandry.

#### **Great Hural Condoles Over Ulanhu Death**

OW1212130488 Ulaanbaatar MONTSAME in Russian  
1348 GMT 10 Dec 88

[Text] Ulaanbaatar, 10 Dec (MONTSAME)—MPR People's Great Hural Presidium has sent a telegram of condolence to the Standing Committee of the National People's Congress of the PRC over the death of Ulanhu, vice chairman of the Standing Committee of the National People's Congress of the PRC.

#### **Batmonh, Others Condole Over Armenian Quake**

OW1212125888 Ulaanbaatar International Service  
in English 0910 GMT 9 Dec 88

[Text] Mongolian leaders Batmonh and Sodnom have expressed deep condolences to Soviet leaders Mikhail Gorbachev and Nikolay Ryzhkov in connection with the disasterous earthquake in Soviet Armenia which left in its wake human casualties and huge damage.

#### **Contributions to Relief Fund**

OW1212144488 Ulaanbaatar International Service  
in English 0910 GMT 12 Dec 88

[Text] Mongolian people, state and public organizations expressed deep condolences in connection with the earthquake in the Soviet Republic of Armenia that caused huge human losses and destruction.

Mongolian President Batmonh, Prime Minister Sodnom, and other Mongolian officials have visited the Soviet Embassy in Mongolia to express their deep condolences.

Mongolian public organizations have contributed 1.9 million tugriks and 300,000 tons of canned meat to the relief fund for Armenia.

#### **Planes Leave With Relief Supplies**

OW1312123588 Ulaanbaatar International Service  
in English 0910 GMT 13 Dec 88

[Text] The labor collectives of Mongolia are volunteering for relief assistance to the Soviet Armenians in tackling the heavy consequences of natural calamity. Two planes loaded with food have left Ulaanbaatar for Armenia. Donations are coming from individuals and organizations in all parts of Mongolia.

### **North Korea**

#### **U.S. 'Aerial Espionage' Against North Alleged**

SK1312105388 Pyongyang KCNA in English  
1035 GMT 13 Dec 88

[Text] Pyongyang December 13 (KCNA)—The U.S. imperialist aggressors have continued their aerial espionage against the northern half of the Republic in December, letting the strategic reconnaissance plane "U-2" fly in the air above the area of the Military Demarcation Line almost every day, according to a military source.

They also introduced the "E-3a" AWACS into South Korea from an overseas base to let it fly on patrol and espionage missions against the northern half of the republic.

The fact that the U.S. imperialists are stepping up war preparations while uninterruptedly committing aerial espionage against the northern half of the republic proves that they are not interested at all in the relaxation of tensions in the Korean peninsula but seek war and confrontation.

#### **Daily Urges South's Response to Talks Proposal**

SK1012045288 Pyongyang KCNA in English  
0447 GMT 10 Dec 88

["NODONG SINMUN Urges South Korean Side to Immediately Respond to DPRK's Proposal for North-South High-Level Political and Military Talks"—KCNA headline]

[Text] Pyongyang December 10 (KCNA)—If they honestly want improvement of relations with us, reconciliation and relaxation of tension, the South Korean authorities should show an immediate response to our proposal for North-South high-level political and military talks, urges NODONG SINMUN today.

The news analyst says:

20 odd days have gone since the premier of the Administration Council of the Democratic People's Republic of Korea sent to the South Korean "prime minister" a letter proposing the opening of North-South high-level political and military talks and the date of the first talks we proposed is at hand. But the South Korean side has not given an answer to it.

This disappoints the whole nation desirous of peace in Korea and her peaceful reunification.

Though it is loud-mouthed about "detente" and "improvement of North-South relations", the South Korean side has not yet responded to our proposal for holding a high-level political and military talks between the North and South and, behind the screen, it is doing such acts as proclaiming the northern half of Korea a "hostile state" in the light of the "National Security

Law", inciting anti-communist confrontation, asking foreign forces for "security cooperation", crying for "military superiority" to the North and pursuing the "creation of an international environment" for fixing the division of the country. This makes us doubt the true meaning of the words of the South Korean authorities that they are willing to be reconciled with us and discuss military matters including arms reduction.

The stand and attitude towards peace and national reunification should be proved not by words but by practical act.

If they truly want the improvement of relations with us, reconciliation and detente, they must show an immediate response to our proposal to hold North-South high-level political and military talks.

**Daily Says Photo 'Pandemonium' Shows No's 'Color'**  
*SK1312045688 Pyongyang KCNA in English*  
0441 GMT 13 Dec 88

["Dastardly Moves of Military Hooligans"—KCNA headline]

[Text] Pyongyang December 13 (KCNA)—The No Tae-u military fascist clique are resorting to dastardly moves to cover up the truth of the Kwangju massacre at "hearings of the National Assembly special committee for the probe into the truth of the Kwangju movement for democracy".

Condemning this, NODONG SINMUN today says:

When an opposition "national assemblyman" showed at the "hearings" a photograph exposing the atrocities of the puppet paratroopers mobilized in a suppressive operation at the time of the Kwangju incident the gangsters of the "Democratic Justice Party" turned the hall of "hearings" into a pandemonium, contending that it was false. And at a "round-table conversation of party officials" they raised quite a row, crying that it "occasioned the division of public opinion" and demanding "official apology" and "disciplinary measure." In another development, the puppet Ministry of National Defence issued a threatening "statement of a spokesman", which said an "irresponsible argument" should be "restrained" and, at the same time, made bandits of the "paratroopers" complain to the puppet prosecution about "defamation".

The signed commentary notes:

This reveals the true color of the No Tae-u group of military fascists who regard violence almighty; it is nothing but a threat to continue to terrorize the people who dig up their crimes and expose them to the public. The outcries over the picture are an operation of threat and blackmail staged by the "DJP" gangsters under a scrupulous plan.

When voices demanding the summon of the five traitors responsible for the Kwangju massacre including the traitor Chon Tu-hwan and their hirings to the "hearings" are ringing louder, they are trying to menace the opposition "national assemblymen" by a forestalling measure and stretch out tentacles of sanctions to them, stresses the commentary.

**Moves To 'Cover Up' Truth**  
*SK1312101088 Pyongyang KCNA in English*  
1001 GMT 13 Dec 88

[Text] Pyongyang December 13 (KCNA)—The No Tae-u military hooligans are collecting photographs and videotapes on the Kwangju incident from December 9 throughout South Korea with the general mobilization of the puppet Ministry of Defence, security planning board, security command, prosecution and police, according to a report.

The fascist clique claim that they are collecting them to "winnow the false from the true" through their "strict test" and "analysis."

The fascist clique are making such ado under the absurd pretext that "a picture inconsistent with fact" concerning the Kwangju incident was submitted recently to the "National Assembly hearing".

This collection campaign of the fascist clique is their mean attempt to destroy on this occasion the photographs and videotapes vividly recording the Kwangju massacre and conceal their butchery of fellow countrymen for good.

With no desperate effort, however, can the fascist clique cover up the truth behind the Kwangju bloodbath.

**Seoul Students Oppose Increased Registration Fee**  
*SK1012101688 Pyongyang KCNA in English*  
1011 GMT 10 Dec 88

[Text] Pyongyang December 10 (KCNA)—About 200 students of Yonsei University in Seoul met on December 7 to inaugurate a special committee against the increase of the registration fee and for campus autonomy, according to a report.

In a document issued at the meeting, the students contended that the masters of the university are professors and students and that for campus autonomy the masters of the university must participate in the school affairs and management.

The students submitted to the university side a four-point demand including the opening to the public of appropriation of the registration fee and the attendance of a student representative at the budget deliberation council.



Meanwhile, about 100 students of Seoul University occupied the first floor of the main school building and staged a sit-in, demanding the reduction of the registration fee.

#### **Fourth Anti-Chon Rally in Seoul Reported**

*SK1212102188 Pyongyang KCNA in English  
1008 GMT 12 Dec 88*

[Text] Pyongyang December 12 (KCNA)—The headquarters of struggle for the arrest and punishment of the traitor Chon Tu-hwan and his wife held the fourth rally of Seoul citizens for a probe into the truth behind the Kwangju massacre and the "scandals of the Fifth Republic" and the punishment of the chieftain Saturday at the approach to the Myongdong Catholic Cathedral in Seoul, according to a report.

The rally was attended by members of 27 dissident organisations including the federation of the people's movement for democracy and unification and the council of the families' movement for practising democratization and students of about 10 universities under the Seoul District Federation of General Student Councils including Seoul and Yonsei Universities, more than 2,000 all told.

Addressing the rally, public figures and students resolutely demanded the resignation of the traitor No Tae-u and the arrest of the traitor Chon Tu-hwan, stressing that Chon Tu-hwan cannot be referred to trial without overthrow of No Tae-u's "government".

The rally disorganized the existing headquarters of struggle for the arrest and punishment of the traitor Chon Tu-hwan and his wife to further expand and strengthen the struggle of their arrest and punishment and inaugurated a struggle committee for the punishment of those involved in the Kwangju bloodbath and eradication of the "injustices of the Fifth Republic" under the "national council of the movement for the nation and democracy," an organisation for the promotion of the unity of dissident organisations.

In the inaugural declaration the attendants condemned the present "government" for taking the lead in impeding a probe into the truth behind the "scandals of the Fifth Republic" and covering up and defending the crimes of the "Fifth Republic," while saying that there is no sacred precinct in the investigation of the scandals, and announced that they would come out to the struggle for a thorough probe into the truth behind the Kwangju bloodbath and irregularities and for the punishment of the chieftain.

"We declare that only when Chon Tu-hwan and No Tae-u stand before the investigators to testify can the whole truth behind the past scandals be made clear and those responsible be punished," they stated.

A foreign press report said that at a rally held in front of Myongdong Cathedral dissidents declared the formation of a new alliance for the overthrow of No Tae-u.

After the rally the attendants began a march to "Chongwadae," shouting "arrest Chon Tu-hwan" and "overthrow No Tae-u."

They fiercely battled riot police over 9,000 strong firing volleys of tear gas.

#### **South Monks, Students Attempt Arrest of Chon**

*SK1212232288 Pyongyang KCNA in English  
2233 GMT 12 Dec 88*

[Text] Pyongyang December 22 (KCNA)—Buddhist monks affiliated with the council of Buddhist movement for the national, independent reunification and students who had formed a suicide squad at the Chogy Temple in Seoul on December 9 and left for the Paektam-sam Temple to arrest traitor Chon Tu-hwan and his wife fought the combat police which blocked their way at the approach to the temple next day, according to a report.

The monks and students who were carrying a banner reading "Arrest Chon Tu-hwan and bring him to judgment by people!" knocked down two combat policemen by a decisive counterblow when the latter fell upon them with bayonets.

They distributed to the population a literature titled "To the Buddhists and Patriotic People" which expressed their resolution not to forgive the crimes of the fascist clique.

#### **Paper Denounces South's Cabinet, DJP Reshuffle**

*SK1012100788 Pyongyang KCNA in English  
1002 GMT 10 Dec 88*

[Text] Pyongyang December 10 (KCNA)—NODONG SINMUN in a commentary today says that the "reshuffle of the Democratic Justice Party" staged by the traitor No Tae-u on December 8 is no more than political trickery to fill the party posts with confidential servants of fascist origin and strengthen dictatorial politics.

The news analyst notes:

If No Tae-u intended to carry out a "political reform" with "cabinet shake-up" and "party reshuffle," he himself should have stepped down.

As long as No, a colonial stooge of U.S. imperialism and military gangster who has played the leading role in the dictatorial policy in the same boat with Chon Tu-hwan, hold the puppet presidential chair and the presidency of the "Democratic Justice Party," there can be no change in South Korea and democratic politics and democratic development cannot be expected however often "cabinet shake-up" and "party reshuffle" may be carried out.

Through these reshuffles No Tae-u sought to prevent the struggle of people against the scandals of the "Fifth Republic" from turning against the present "government" and to make up for the inferiority of the "DJP" in the "National Assembly" in a bid to tide over the unstable political situation.

With such thinly-veiled swindle, however he can never hoodwink people or get rid of the crisis of the rule.

**CPRF Decries South Defense Minister's Remarks**

SK1012042088 *Pyongyang KCNA in English*  
0410 GMT 10 Dec 88

[Text] Pyongyang December 10 (KCNA)—The Secretariat of the Committee for the Peaceful Reunification of the Motherland issued Information No. 516 December 9, denouncing the bellicose utterances of new South Korean puppet Defence Minister Yi Sang-hun inciting North-South confrontation and tension at his "inaugural ceremony."

Yi Sang-hun, talking about "provocation" of the North and "defence of the system," blatantly cried for "establishment of counter military preparedness" and "buildup of combat power superior to the North."

This bellicose outburst shows, the information says, that the recently "reshuffled" South Korean puppet administration remains a "cabinet" pursuing the policy of confrontation, tension and war between the North and the South.

By appointing the typical military gangster "defence minister" and making him openly cry for "buildup of combat power superior to the North," the present authority of South Korea made it plain for himself that "spring of reconciliation," "preservation of peace" and "disarmament" on his lips are all sheer lies and that he has no intention to remove the North-South tension and military confrontation and realise peace and peaceful reunification of the country but persistently follows the line of confrontation and dreams of "reunification by prevailing over communism" through "buildup of strength," stresses the information.

**South Soldier Issues Declaration of Conscience**

SK1012153988 *Pyongyang KCNA in English*  
1507 GMT 10 Dec 88

[Text] Pyongyang December 10 (KCNA)—A soldier named Kim Sang-chol belonging to the first combat flying corps of the South Korean puppet Air Force demanded expulsion of violence and injustices from the puppet Army, according to a report.

After deserting the unit recently, he made public a declaration of conscience demanding "eradication of violence and injustices in the Army units" at the office of the human rights committee in the Christian House in Seoul and categorically refused to return to his unit.

He brought to five the number of the soldiers who deserted the barracks and published the declarations of conscience since 1980, the report said.

The growth of the number of the puppet Army soldiers who issue declarations of conscience after deserting the units, denouncing the violence and corruption in the puppet army fully shows the fascist quality of the South Korean military gangster group and their corrupt and degenerated sight.

**Antigovernment Struggles Held in South**

SK1112084388 *Pyongyang KCNA in English*  
0834 GMT 11 Dec 88

[Text] Pyongyang December 11 (KCNA)—Some 300 students of Seoul University held a rally on December 9 in demand of the abolition of the "National Security Law", according to a report.

They staged a demonstration, shouting "repeal the 'National Security Law' repressing the democratic movement".

On the same day, 50 students affiliated with the council of Buddhist movement for the national independence and reunification and Buddhist monks formed a suicide squad to arrest and punish the traitor Chon Tu-hwan and his wife and left for the Paektam-sa Temple after an inaugural ceremony.

At the ceremony, the students and Buddhist monks said that the Chon couple were obstructing the religious life of Buddhists by unilaterally using the Paektam-sa Temple and declared that "the suicide squad was leaving for the temple to bring the Chon couple to the dock."

Meanwhile, 30 students of Yonsei University raided the puppet police booth in Yonhui-dong, West Gate District of Seoul, where the former house of the traitor Chon Tu-hwan is located and destroyed the iron door and windows and set fire to its inside. Over 200 students affiliated with the Taegu District council of student representatives attacked the office of Chong Ho-yong, one of the top perpetrators of the Kwangju massacre and a "national assemblyman from the Democratic Justice Party".

**South Jurists Denounce Media 'Propaganda'**

SK1212103088 *Pyongyang KCNA in English*  
1024 GMT 12 Dec 88

[Text] Pyongyang December 12 (KCNA)—The international committee of jurists for democracy and human rights in South Korea recently made public a communique condemning Western news media's propaganda campaign distorting facts to create the impression that there is something like "democracy" in South Korea.

Exposing the diabolical dictatorial rule in South Korea and the reactionary nature of the No Tae-u puppet government, the communique accuses the No "government" of harshly suppressing the South Korean people demanding democracy, while talking about "democracy."

Referring to the South Korean "Government's" policy of dependence on outside forces, the communique says:

The general orientation of the South Korean "Government's" foreign policy depends on the U.S. policy. Subordinate relations deepening in all fields of South Korea serve for their "two Koreas" policy.

The United States and Japan are deeply interested in perpetuating the division of Korea. Among those opposed to dialogue between the North and the South are not only No Tae-u but also the Japanese and U.S. authorities.

Those in the West who put the label of "democracy" on the South Korean dictatorial "government" must look straight at the reality, tell facts and refrain from acts obstructive to the reunification of Korea.

#### **Police Budget in South Raised for 'Suppression'**

*SK1312050888 Pyongyang KCNA in English  
0446 GMT 13 Dec 88*

[Text] Pyongyang December 13 (KCNA)—The No Tae-u military fascist clique worked out a police budget scaled at 1,050 billion won next year, according to a report.

This means an increment of 13 percent above that this year.

According to an announcement of the "police headquarters," police budget for next year holds 5.5 percent of the puppet government budget and 36 percent of the "Home Ministry" budget.

This staggering police budget reveals the criminal scheme of the military hooligans to intensify their fascist suppression.

#### **Change in Kwangju Victims Cemetery Denounced**

*SK1312042288 Pyongyang KCNA in English  
0400 GMT 13 Dec 88*

[Text] Pyongyang December 12 (KCNA)—The committee for the promotion of the erection of the May 18 Monument in Kwangju issued a statement on December 9 denouncing the No Tae-u fascist clique's scheme to disperse the cemetery of victims of the Kwangju incident in Mangwol-dong, according to a report.

The statement branded the "South Cholla Regional Development Council" intending to move the cemetery as a subsidized organization framed up to distort and minimize the truth of the Kwangju uprising.

"The activities of the South Cholla Regional Development Council to disperse the cemetery of the victims of the Kwangju bloodbath under the pretext of regional development are a criminal act to close down the cemetery in Mangwol-dong, a historical spot," noted the statement.

#### **Remains of Korean War Victims Honored**

*SK1312045088 Pyongyang KCNA in English  
0434 GMT 13 Dec 88*

[Text] Pyongyang December 13 (KCNA)—Remains and relics of 75 patriots who were ruthlessly killed in the brutalities of the U.S. imperialist aggressors during the Korean war were discovered in battle and communication trenches around the air-raid shelter of the former Sinchon County public security office, South Hwanghae Province.

The newly found bodies of the patriots were broken and smashed by blows, their breastbones still bore bullets of the U.S. imperialist aggressors and five toebones remained stuck to rubber shoes.

Many relics including seals, buttons, tobacco pipes, fountainpens, rubber shoes and belt girdles were found among the remains.

Five women's bodies were among them.

In August the bodies and relics of 239 patriots were found.

A funeral ceremony was held.

The attendants denounced the brutalities of the U.S. imperialist aggressors beyond human imagination such as gouging out eyeballs and cutting noses, cutting open the bellies of pregnant women, quartering, shooting and burning people in Sinchon.

The U.S. imperialist aggressors who occupied Sinchon in the middle of October, 1950, when the Korean People's Army made a temporary strategic retreat in the past Fatherland Liberation War murdered about 35,000 people, one-quarter of the county population.

#### **Messages of Sympathy Sent to USSR**

*SK1312045288 Pyongyang KCNA in English  
0438 GMT 13 Dec 88*

[Text] Pyongyang December 13 (KCNA)—The Central Committees of the General Federation of Trade Unions of Korea, the League of Socialist Working Youth of Korea, the Red Cross Society of the Democratic People's Republic of Korea and the Korean-Soviet Friendship Society sent messages of sympathy to their Soviet counterparts on the big losses caused by a strong earthquake in some parts of Armenia, the USSR.

The messages say:



Upon hearing the unhappy news that big losses were caused by a strong earthquake in some parts of Armenia, the Soviet Union, a few days ago, we express deep sympathy and consolation to you and, through you, to the bereft families and the people in the disaster area.

We sincerely hope that the fraternal Soviet people will heal the earthquake damages and stabilize the people's living in the afflicted area at an early date under the guidance of the Communist Party of the Soviet Union.

#### **Social Science Delegation Leaves for USSR**

SK1312104188 Pyongyang KCNA in English  
1037 GMT 13 Dec 88

[Text] Pyongyang December 13 (KCNA)—A delegation of Korean social scientists led by Kim Chol-sik, vice-president of the Academy of Social Science, left here for the Soviet Union by air on December 12.

#### **\* Relations With China, USSR Examined**

35190025 Paris LE MONDE in French  
21 Oct 88 p 3

[Article by Philippe Pons: "Pressed by China and the USSR, North Korea Prepares for a Cautious, Limited Opening"]

[Text] Pyongyang—North Korea, which, together with Albania, is the most closed country in the communist world, may be moving toward relatively greater openness. That, at any rate, is the message the government would like to convey. "The next year or two will see great changes here, both in number and in kind. We are about to take off. You must not mistake us for a country of the past," a senior official told us. When asked whether the DPRK, which has just celebrated its 40th anniversary, had reached a turning point in its history, he answered, "Well put."

Indeed, North Korea does appear to be embarking, with great circumspection, on a "policy of smiles." The city of Pyongyang—looking more prepossessing than it did a decade ago, with perceptible signs of increased consumption (new department stores, restaurants)—is put forth as the showplace of the new policy.

There are reasons for this still cautious change. Developments in South Korea over the past year and the rapidly growing economic ties between that country and the DPRK's principal allies, China and the Soviet Union—which could mean increasing isolation for Pyongyang—are pushing the leadership toward change.

However one judges the new South Korean Government (beneath its "democratic veneer," it may have basically the same intentions as the preceding one), leaders in Pyongyang realize that the "enemy" is maneuvering much more intelligently than in the past and that the challenge to be met is no longer just a matter of economic success but one of image as well. They also know

that despite their conspicuous behavior, the South Korean student protesters whom they call the "avant-garde of progressive forces" are currently isolated from the rest of the population.

On the home front, moreover, the passing of the generations implies a change not only in the government apparatus but also in mentalities. As Mr Kim Chang-yong, vice chairman of the League of Socialist Working Youth of Korea, concedes, the younger generation aspires to greater material satisfaction, even if the ideological work of party leaders considerably restrains these aspirations. Caught in a vise between China and the Soviet Union, whose systems are changing, the DPRK may say that it is not following any model, but it still must take its environment into account.

The choice of Seoul for the Olympic games was a blow to North Korean prestige. To wrest the torch from Seoul, the government intends to make the World Festival of Youth and Students, to be held in Pyongyang in July 1989, an event of international impact.

#### **Ideological Stronghold**

This manifest desire for openness also has its limits. If there are changes, they will take place within a government-defined framework. From this standpoint, China's "uncontrolled" reform is very clearly a counter-example. Although the DPRK is attempting to present a less austere facade, its systemic rigidity does not seem to be about to change, and it intends to remain an ideological stronghold. The 40th anniversary ceremonies demonstrated a deep grounding in an ideology that combines the veneration of the great leader, President Kim Il-song, and a man-centered world view.

The Workers Party has a monopoly on truth, and citizens are called on to "live as heroes," according to the slogan launched by party General Secretary Kim Chong-il, the president's son and heir. For the government, maintaining this ideological yoke and keeping the population constantly mobilized are the sine qua non of a risk-free opening.

In his latest report, Kim Il-song states that North Korea wishes to cultivate its relations with capitalist countries. However, this policy must not take the form of compromise. "We are prepared to develop our ties with all countries that we respect, but we do not intend to enter into any marriages of convenience," according to Mr Hwang Chang-yop, secretary of the Party Central Committee and head of the International Affairs Department. "Regarding a mixed economy (foreign investment in the form of joint ventures), our policy has not changed. When the Third 7-Year Plan is completed [theoretically in 1993], we will be in a position to fully develop a mixed economy."

Improving the standard of living appears as a leitmotif. Although the primacy of "political-moral stimulants" over "material incentives" is still affirmed, the mention in the president's report of a "judicious combination" of these two factors may point to an unprecedented development, according to East-bloc observers.

#### **"Dynastic" Succession**

Already in 1984, there were perceptible signs of a realization that a new balance was needed.<sup>1</sup> However, these initial efforts fell short, and the DPRK snapped back into its shell. Succession problems may have been the cause. This issue, about which those we interviewed were preternaturally sensitive, has been, they told us, "completely settled." "Our dear leader Kim Chong-il has all the traits and qualities to inherit the responsibilities now borne by the great leader."

In a country where unanimity is de rigueur one can but record this affirmation. In any event, all the elements of a formal succession seem to be present. Almost everywhere, portraits of the father and son together (either side by side in identical frames or in the same photograph or painting) can now be found. The only question is when it will occur.

The fate of the "Gang of Four" in China following the death of Mao Zedong counsels caution. Because traditional leaders appear to be balking at these "dynastic" pretensions, it is impossible to rule out the succession's taking place while the president is still alive and able to watch from the shadows in order to prevent any unexpected power shifts.

Kim Chong-il, who has published prolifically in recent years, is identified with political reform. This reform has been evident over the past 2 years in a relative improvement in consumption (in Pyongyang at least). In particular, the showplace district of Changgwang and that of Kwangbok, which was supposed to have been Pyongyang's Olympic city, were created at his initiative. He is associated with two other leaders representing the new generation: Mr Kang Song-san, prime minister since 1984, and Mr Kim Yong-nam, minister of foreign affairs.

Kim Chong-il maintained a low profile during the ceremonies. This discretion has given rise to some speculation, but there appears to be no reason to exaggerate its importance. Kim Chong-il did meet the Chinese and Soviet delegations at the airport in any event.

#### **Extreme Nationalism**

Beneath a facade of warm courtesy, a certain uneasiness can be detected in relations between North Korea and its two major allies. Not only did the latter participate in the Seoul games, but they have also strengthened their economic ties with South Korea. "It is difficult to anticipate the consequences [of this strengthening of ties with the South], but I believe that it will not affect these

countries' relations with the DPRK," Mr Hwan told us. His words belie an unformulated fear that these changes may lead to increasing recognition of the two Koreas, which Pyongyang does not want under any circumstances, since its supreme objective remains the reunification of the country.

Sustained by extreme nationalism—which, since it is also identified with the "great leader," brings with it extreme personalization of power—North Korea's first concern, given its position at the crossroads of the strategic interests of the great powers, is to maintain its independence, the cornerstone of its policies.

Steps are being taken to adapt to a new environment. Adjustments, however, will be slow to avoid any upheaval that might favor the intervention of the two communist giants. The notions of "change" and "openness" are foreign to the unitary *chuche* doctrine (Kim Il-songism), which inherently supposes only one right policy. Nonetheless, they are now part of the language of North Korean officials, even if the fundamental reforms they imply have as yet barely been outlined.

#### **Pyongyang Still Demanding Withdrawal of U.S. Troops From South**

North Korea replied Wednesday, 19 October, to a proposal made the preceding day by South Korean President No Tae-u for a summit with Marshal Kim Il-song (LE MONDE, 20 October), according to a cable from our New York correspondent, Charles Lescaut. Speaking from the podium of the United Nations, North Korea's first vice minister of foreign affairs, Mr Kang Sok-chu, indicated that such a summit could take place after both parties had agreed to sign a nonaggression pact and rejected all military alliances. In other words, Pyongyang is still demanding the departure of the 40,000 American soldiers stationed south of the 38th Parallel.

"There is no question of accepting the division of Korea, and even less of legalizing it," Mr Kang added. Pyongyang is prepared to accept the reunification of the peninsula "on condition that both parts of the country keep their autonomy and their current social-political systems" within the framework of a "confederated republic of Koryo, as our great leader Kim Il-song has proposed."

#### **Footnote**

1. See article "Nouveau Cours en Corée du Nord" [New Course in North Korea], by Alain Jacob in LE MONDE 17-19 May 1984.



**Hydroelectric Power Delegation Leaves for PRC**

*SK1212110988 Pyongyang KCNA in English  
1047 GMT 12 Dec 88*

[Text] Pyongyang December 12 (KCNA)—A friendship delegation of the Korean side to the board of the Korea-China Hydro-Electric Company led by Choe Chong-yol, vice-chairman of the Power Industry Commission, left here today by train for China.

It was seen off at Pyongyang railway station by Yi Chung-song, vice-chairman of the Power Industry Commission and an official of the Chinese Embassy here.

**PLO Representative Interviewed in Pyongyang**

*SK1112084988 Pyongyang KCNA in English  
0829 GMT 11 Dec 88*

[Text] Pyongyang December 11 (KCNA)—Mustafa Safarini, representative of the Palestine Liberation Organization to Korea, was interviewed by reporters Saturday at the People's Palace of Culture. There is no doubt that the 13th World Festival of Youth and Students slated in friendly Korea will be successful, he told the reporters.

He said:

The Pyongyang festival will be adorned brilliantly, because the great leader President Kim Il-song and dear Comrade Kim Chong-il pay deep attention to the festival work.

The 13th World Festival of Youth and Students, the first of its kind to be held in Asia under the slogan "For Anti-Imperialist Solidarity, Peace and Friendship!" carries great significance as it will be held in Pyongyang, the capital city of the Democratic People's Republic of Korea.

Really admirable are the efforts made by the Korean youth and students for the preparation of the festival, he said, and noted: Fast progress is made in the construction of the festival edifices.

He further said: The friendship between the peoples and youth of Korea and Palestine are growing stronger and developing day by day along the road paved by the great leader Comrade Kim Il-song, the dear leader Comrade Kim Chong-il and Chairman Yasir 'Arafat.

Our Palestine youth will positively contribute to making the Pyongyang festival a historical assembly of world youth and students by successfully discharging their duty as a member of the standing committee of the international preparatory committee of the festival.

Declaring that the Palestinian people will always stand on the side of the Korean people in their struggle for the independent and peaceful reunification of the country he called upon all the youth to hold high the slogan of the Pyongyang festival "For Anti-Imperialist Solidarity, Peace and Friendship!"

**Commodities Protocol Signed With CSSR**

*SK1312102288 Pyongyang KCNA in English  
1013 GMT 13 Dec 88*

[Text] Pyongyang December 13 (KCNA)—A protocol on the mutual delivery of commodities and payments between the Governments of the Democratic People's Republic of Korea and the Czechoslovak Socialist Republic for 1989 was signed in Prague on December 8.

The protocol was signed by Song Hui-chol, vice-minister of foreign trade of Korea, and Ladislav Vodrazka, first vice-minister of foreign trade of Czechoslovakia.

**Yugoslav Envoy Holds Reception on Army Day**

*SK1012042288 Pyongyang KCNA in English  
0416 GMT 10 Dec 88*

[Text] Pyongyang December 10 (KCNA)—A reception on the 47th anniversary of the founding of the Yugoslav People's Army was given yesterday evening by Tomislav Simunovic, military attache of the Yugoslav Embassy in Pyongyang.

Invited there were Major General Yi Hong-sun and other generals and officers of the Korean People's Army.

Present there was Yugoslav Ambassador Miodrag Bogicevic.

Speeches were exchanged at the reception.

**Dailies Hail DPRK-India Diplomatic Ties**

*SK1012105188 Pyongyang KCNA in English  
1042 GMT 10 Dec 88*

[Text] Pyongyang December 10 (KCNA)—Papers here today observe the 15th anniversary of the opening of diplomatic relations between the Democratic People's Republic of Korea and the Republic of India. A signed article of NODONG SINMUN says: The establishment of diplomatic relations between the two countries marked an occasion in the development of the friendly relations between the two countries; it reflected the common desire and hope of the peoples of Korea and India, both Asian countries and member states of the Nonaligned Movement.

Over the past 15 years the two peoples have supported and cooperated each other on the road of the struggle to build a new society under the banner of independence against imperialism.

Today the contacts and travel are becoming brisk, understanding and sympathy are growing deeper and cooperation and exchange are being strengthened in various fields between the two countries.

The Republic of India, one of the sponsor nations of non-alignment, is positively contributing to the struggle to strengthen and develop the movement and guarantee peace and security of the world.

Firmly adhering to the non-aligned policy, India is supporting the struggle of peoples for freedom and liberation and striving to turn the Indian Ocean into a peace zone.

The Korean people sincerely rejoice as their own at the success of the Indian people in the efforts to build a new society and express firm support to and solidarity with them in their just cause world peace and security.

The Korean people value their friendship and cooperation with the Indian people and actively strive for its development.

A signed article of MINJU CHOSON noted that the development of the friendly and cooperative relations between Korea and India conforms with the interests of the two peoples and greatly contributes to the strengthening and development of the Nonaligned Movement.

#### **Meeting Marks Ties With India**

*SK1212052488 Pyongyang KCNA in English  
0501 GMT 12 Dec 88*

[Text] Pyongyang December 12 (KCNA)—The Ministry of Foreign Affairs arranged a friendly gathering Saturday on the occasion of the 15th anniversary of the establishment of diplomatic relations between the Democratic People's Republic of Korea and the Republic of India.

Present at the gathering were Vice-Minister of Foreign Affairs Cha Pong-chu and other officials concerned.

Indian Ambassador to Korea S.S. Gill and embassy members were present on invitation.

Speeches were exchanged at the gathering.

The gathering proceeded in a friendly atmosphere.

#### **WPK, Indian Party Sign Cooperation Pact**

*SK1112080988 Pyongyang KCNA in English  
0806 GMT 11 Dec 88*

[Text] Pyongyang December 11 (KCNA)—An agreement on cooperation between the Workers' Party of Korea and the Indian National Congress Party (I) was signed in New Delhi on December 7.

It was signed by head of the delegation of the Workers' Party of Korea Hwang Chang-yop, secretary of the WPK Central Committee, and Ghulam Nabi Azad, general secretary of the Indian National Congress Party (I).

#### **Delegation Returns From India**

*SK1212111588 Pyongyang KCNA in English  
1050 GMT 12 Dec 88*

[Text] Pyongyang December 12 (KCNA)—The delegation of the Workers' Party of Korea headed by Secretary of the WPK Central Committee Hwang Chang-yop returned home on December 12 after visiting India.

It was met at the airport by Secretary of the WPK Central Committee Choe Tae-pok and Indian and Soviet Ambassadors to Korea S.S. Gill and Gennadiy Bartosevich.

#### **Kim Yong-nam Greets Pakistani Counterpart**

*SK1112081388 Pyongyang KCNA in English  
0809 GMT 11 Dec 88*

[Text] Pyongyang December 11 (KCNA)—Foreign Minister Kim Yong-nam sent a message of greetings to Sahabzada Yaqub Ali Khan on his reappointment as minister of foreign affairs of the Islamic Republic of Pakistan.

The message expressed the belief that the relations of friendship and cooperation between the two countries will further strengthen and develop in the future and sincerely wished him new success in his responsible work.

#### **Yang Hyong-sop Greets Pakistan Assembly Speaker**

*SK1212050088 Pyongyang KCNA in English  
0455 GMT 12 Dec 88*

[Text] Pyongyang December 12 (KCNA)—Yang Hyong-sop, chairman of the Standing Committee of the Supreme People's Assembly of the Democratic People's Republic of Korea, sent a message of greetings to Malik Meraz Halid on his election as speaker of the National Assembly of the Islamic Republic of Pakistan.

Expressing the belief that the friendly and cooperative relations between the Supreme People's Assembly of the DPRK and the National Assembly of Pakistan will grow stronger and develop, the message sincerely wishes him new success in his responsible work.

#### **Yi Kun-mo Sends Sympathy to Bangladesh Counterpart**

*SK1012110688 Pyongyang KCNA in English  
1055 GMT 10 Dec 88*

[Text] Pyongyang December 10 (KCNA)—Premier of the Administration Council Yi Kun-mo sent a message of sympathy to Moudud Ahmed, prime minister of the People's Republic of Bangladesh.

The message expressed deep sympathy and consolation to the Bangladesh prime minister, his government and bereaved families of the victims and the population of the afflicted area on the heavy losses in human lives and materials caused by a recent strong cyclone in the capital and other places of Bangladesh.

It hoped that the Bangladesh people would heal the cyclone damages in a short time under the deep concern of the Bangladesh prime minister and his government.

**Kim Il-song Receives Message From Malian Official**  
*SK1112080488 Pyongyang KCNA in English*  
0801 GMT 11 Dec 88

[Text] Pyongyang December 11 (KCNA)—The great leader President Kim Il-song received a message of solidarity from Sidiki Diarra, president of the National Assembly of the Republic of Mali, supporting the new comprehensive peace overture advanced at a joint meeting of the Central People's Committee, the Standing Committee of the Supreme People's Assembly and the Administration Council of the Democratic People's Republic of Korea.

The message expresses support to the efforts of President Kim Il-song to achieve peace in the Korean peninsula.

It also expresses the belief that a durable peace in this part of the world would be certainly achieved through the medium of the withdrawal of foreign forces, arms reduction in the North and the South of Korea, talk among the parties concerned and the independent and peaceful reunification of Korea.

**Officials Attend Reception at Finnish Embassy**  
*SK1112082288 Pyongyang KCNA in English*  
0810 GMT 11 Dec 88

[Text] Pyongyang December 11 (KCNA)—A reception was given at the embassy of the Republic of Finland in Pyongyang on the evening of December 9 in the 71st anniversary of the independence of Finland.

Invited there were Son Song-pil, vice-chairman of the Standing Committee of the Supreme People's Assembly, Kim Hyong-yol, vice-minister of foreign affairs, Yi Song-nok, vice-minister of foreign trade, other officials concerned and diplomatic envoys of various countries in Korea. Present there were the minister-councillor and an official of the embassy.

Speeches were made at the reception.

**Meeting Marks Anniversary of Ties**  
*SK1212052688 Pyongyang KCNA in English*  
0516 GMT 12 Dec 88

[Text] Pyongyang December 12 (KCNA)—A meeting was held here Saturday on the occasion of the 71st anniversary of the independence of Finland.

Present at the meeting were editor-in-chief of MINJU CHOSON and Chairman of the Korea-Finland Friendship Association Kim Chong-suk and other officials concerned and working people in the city.

A minister-councillor of the Finnish Embassy here was invited.

Speeches were made at the gathering.

After the meeting the attendants saw a Finnish film.

**Kim Il-song Receives Message From Ortega**  
*SK1012042488 Pyongyang KCNA in English*  
0418 GMT 10 Dec 88

[Text] Pyongyang December 10 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, on December 6 received a message of solidarity from Daniel Ortega Saavedra, president of the Republic of Nicaragua, supporting the new proposal for national reunification advanced at a joint meeting of the Central People's Committee, the Standing Committee of the Supreme People's Assembly and the Administration Council of the Democratic People's Republic of Korea.

The message says:

Our party, government and people saw once again that the Korean people under the leadership of you and Comrade Kim Chong-il are making tireless efforts for the reunification of Korea, a great country, which is the greatest national task, and resolutely support the new propositions which stemmed from the noble patriotic spirit of the fraternal Korean people.

We hope that the United States Government and the South Korean side will readily accept this overture to promote detente and broad-minded understanding through political dialogue.

**Kim Yong-nam Greets Mexican Counterpart**  
*SK1212050288 Pyongyang KCNA in English*  
0457 GMT 12 Dec 88

[Greetings to Mexican Secretary for Foreign Affairs]

[Text] Pyongyang December 12 (KCNA)—Foreign Minister Kim Yong-nam sent a message of greetings to Fernando Solana Morales upon his appointment as secretary for foreign affairs of the United States of Mexico.

Believing that the friendly relations between the two countries will further expand and develop, the message wholeheartedly wishes him great success in his responsible work.

**WPK Greets Colombian Party Congress**  
*SK1212050588 Pyongyang KCNA in English*  
0458 GMT 12 Dec 88

[Text] Pyongyang December 12 (KCNA)—The Central Committee of the Workers' Party of Korea sent a message of greetings Sunday to the 15th congress of the Communist Party of Colombia.

The message says:

The Communist Party of Colombia has vigorously fought for the independent and democratic development of the country and the vital interests of the working people, overcoming manifold trials.

We are convinced that the 15th congress of your party will greatly contribute to the work of strengthening the party, rallying broad sections of people and accomplishing your party's cause of justice.

Believing that the friendly and cooperative relations between our two parties will grow stronger and develop on the principles of Marxism-Leninism and proletarian internationalism, we take this opportunity of wishing the congress of your party a successful discussion of the agenda items and good fruits.

**Youth Festival Committee Meets Press in Moscow**  
*SK1112113288 Pyongyang KCNA in English*  
1030 GMT 11 Dec 88

[Text] Moscow December 9 (KCNA)—The Korean preparatory committee for the 13th World Festival of Youth and Students called a press conference at the Korean Embassy in Moscow on December 6.

Speaking at the press conference, Kim Chin-pom, vice-chairman of the Central Committee of the League of Socialist Working Youth of Korea and vice-chairman of the Korean preparatory committee for the festival, gave detailed accounts of the preparations for the 13th World Festival scheduled in Pyongyang and international significance of the Pyongyang festival and preparations for the festival in various countries.

The Pyongyang festival, the first world festival of youth and student to be held in Asia in the 40 odd year history of world festival movement, will be a grand international assembly of youth and students which will demonstrate the validity and vitality of the youth movement and open a new chapter in its development, he said.

Declaring that the preparations for the festival are going on briskly at the last stage as a social campaign with the participation of the entire youth and students in Korea, he said, and stressed:

We will make every effort to discharge our duty as the host nation of the festival.

He expressed the belief that the national preparatory committees in various countries including the Soviet Union will continue to render active cooperation for a success of the Pyongyang festival.

**Commentary Notes World Support for Peace Plan**  
*SK1212102588 Pyongyang KCNA in English*  
1016 GMT 12 Dec 88

[Text] Pyongyang December 12 (KCNA)—NODONG SINMUM today comes out with a signed commentary regarding the world public support to the four principles for guaranteeing peace on the Korean peninsula and the all-inclusive peace proposal which were put forth at a joint meeting of the Central People's Committee, the Standing Committee of the Supreme People's Assembly and the Administration Council of the Democratic People's Republic of Korea.

The commentary says:

Heads of state of many countries have sent messages of solidarity to the great leader President Kim Il-song and party and power bodies, political and social activists, many international organizations, revolutionary fighting organizations, friendship and solidarity organizations issued statements and talks or sent messages and letters welcoming and supporting the peace proposals advanced at the joint meeting.

A large number of publications featured the peace proposal and carried articles supporting it. And solidarity meetings were held in some countries in support of it.

Loud voices that the four principles for guaranteeing peace and the comprehensive peace proposals set forth at the joint meeting were "a new proposal for peace on the Korean peninsula," "a new peace initiative for the reunification of Korea," and that "peace in Korea must be brought on the basis of the four principles for peace" rang out and the hope and expectation that the tensions and the danger of war would be removed and peace be guaranteed on the Korean peninsula at an early date were strongly evinced in the messages and letters, statements and talks, and solidarity meetings.

These loud voices of solidarity ringing out from all parts of the world tell that the joint meeting discussed in time important measures to remove the danger of war and achieve peace on the Korean peninsula and put forward a most fair and aboveboard, practical peace proposal.

The daily growing voices of the world public welcoming and supporting the DPRK's new peace programme eloquently prove that the world's attention to the Korean issue is increasing still further and the world is standing on the side of the Korean people who are making patient efforts for peace and peaceful reunification of the country.

No force on earth can hold in check this turbulent trend of our times.



If the United States and the South Korean authorities are truly interested in peace in Korea and her peaceful reunification, they should lend an ear to the voices of the world and accede to our new peace proposal.

**Agricultural Union Holds Plenary Meeting**

SK1112083688 *Pyongyang KCNA in English*  
0817 GMT 11 Dec 88

[Text] Pyongyang December 11 (KCNA)—The 11th plenary meeting of the Central Committee of the Union of Agricultural Working People was held here on December 9 and 10.

The plenary meeting discussed measures to carry through the tasks set in "Let Us Accomplish the Cause of Socialism and Communism Under the Revolutionary Banner of Chuche," the historical report of the great leader President Kim Il-song at the meeting to celebrate the 40th anniversary of the foundation of the Democratic People's Republic of Korea.

A report of Pak Su-tong, chairman of the Central Committee of the Union of Agricultural Working People, was followed by speeches of many attendants at the plenary meeting.

The reporter and speakers said that the organisations of the Union of Agricultural Working People, true to the duty of the union, should thoroughly implement our party's line of the three revolutions, ideological, technical and cultural, and thus make an active contribution to carrying out the tasks proposed in the socialist rural theses.

The plenary meeting was attended by Ho Chong-suk, secretary of the Central Committee of the Workers' Party of Korea.

**Paper on 'Unified Control' in Management**

SK1212104988 *Pyongyang KCNA in English*  
1028 GMT 12 Dec 88

[Text] Pyongyang December 12 (KCNA)—The great leader Comrade Kim Il-song in his historical report "Let Us Accomplish the Cause of Socialism and Communism Under the Revolutionary Banner of Chuche" at the meeting to celebrate the 40th anniversary of the foundation of the DPRK indicated it as one of the basic principles of the guidance and management of the socialist economy to combine democracy properly with unified control, proceeding from the principle of the chuche idea and the intrinsic demand of the socialist economy, notes NODONG SINMUN Sunday.

The paper says in a signed article headlined "Combining Democracy Properly With Unified Control is Important Principle of Guidance and Management of Socialist Economy":

Comrade Kim Il-song taught:

"In socialist society the working masses are masters of production and management. Therefore, democracy should be introduced fully in economic management so as to incorporate the desire of the masses and their collective will. At the same time, unified control is needed to coordinate production and management activities."

It is an indispensable demand in applying the method of socialistic and collective management and operation to ensure unified control based on democracy in the guidance and management of the socialist economy.

Combining democracy with unified control reflects social assignments and comradely cooperation among master of production and management. Accordingly, it must be realised in a unified process and in close relationship for the purpose of serving the common interests of society and the collective.

To give play to democracy itself means application of the principle of collectivism in economic management and operation; it can be more sufficiently realised only when it is combined properly with unified control.

The principle of unifying control on the basis of democracy is a revolutionary and scientific principle of economic management which helps enhance the position and role of masters in production and management and manage and run the socialist economy most effectively.

This principle makes it possible to give effective control of production by eradicating bureaucratism and subjectivism in economic management, giving full rein to the intelligence and creativity of the working masses.

The taeon work system is the most superior system of economic management that combines democracy properly with unified control through a thorough implementation of the mass line under the collective guidance of party committees.

Through the collective guidance of party committees, administrative commanding official get rid of bureaucratism and subjectivism and successfully resolve all problems in production and management relying on the masses, so that the mass line may be carried through better in economic management and the socialist economy may develop at a constantly high tempo.

This principle makes it possible to ensure strict organisation and discipline in economic management and operation and attain efficiency in production and management activities on the basis of unified control of production as a whole.

Strictly abiding by this principle is an important guarantee for rounding off the guidance and management of the socialist economy in conformity with the method of

collectivist management and operation and the requirement of modern large socialist construction and for giving full play to the superiority of the guidance of the socialist economy.

**Article Examines Strengthening of Revolution**

*SK1012104488 Pyongyang KCNA in English  
1026 GMT 10 Dec 88*

[Text] Pyongyang December 10 (KCNA)—NODONG SINMUN today comes out with an article of Dr. Kim Pae-hwan entitled "Strengthening the Subject of the Revolution and Enhancing Its Role is the Main Factor of Victory of Revolution," which reads in part:

In his historical report "Let Us Accomplish the Cause of Socialism and Communism Under the Revolutionary Banner of Chuche" delivered at the meeting to celebrate the 40th anniversary of the foundation of the Democratic People's Republic of Korea, the great leader Comrade Kim Il-song clearly expounded what is the main factor of all victories made by our party and people in the revolution and construction.

He taught:

"We have strengthened the party and united all the people closely behind it and thus fortified the subject of our revolution as an unconquerable force, an unbreakable harmony of the party and the masses. This is an incomparably valuable success, and this is the key to all our victories in the revolution and construction."

What is important in fortifying the subject of the revolution and enhancing its role is to strengthen the political and ideological unity and cohesion of the popular masses with the party and the leader as the centre.

The subject of the revolution is the integral whole of the leader, the party and the masses.

Our party has always adhered to it as a main principle of building the party and the general task of the party work to strengthen the unity and cohesion of the party based on the party's monolithic ideological system and constantly deepened this work and thus strengthened and developed the party and revolutionary ranks to be invincible revolutionary ranks which no force can break.

What is also important in the work of strengthening the subject of the revolution and enhancing its role is to foster the revolutionary nature and creative ability of the popular masses.

Our party, first of all, has made all the members of society to be enrolled in socio-political organisations and participate in the organisational life and thus temper the organisation and discipline of the party members and working people and make them discard the old ideological leftovers and cultural customs through their organizational life.

And our party has made everybody be educated constantly in a certain form of educational system to train them to be socialist builders with a high degree of revolutionary spirit and creative ability.

An important matter arising in the work of strengthening the subject of the revolution and raising its role is to hold fast to the revolutionary mass line and carry it through.

Our party has put it forward as the supreme principle in its activity to defend the interests of the masses of the working people, and always remained true to this principle and devoted everything to the happiness of the people.

**Dailies Claim 'Full Human Rights' in DPRK**

*SK1012110388 Pyongyang KCNA in English  
1048 GMT 10 Dec 88*

[Text] Pyongyang December 10 (KCNA)—NODONG SINMUN and MINJU CHOSON today dedicate signed articles to the World Human Rights Day.

NODONG SINMUN says:

Today the question of human rights presents itself as one of the important matters in international security and development of relations among nations. The struggle of the people to resolve the human rights question is growing in scope each day.

Everything serves the people under the socialist system of our country where the chuche idea is applied.

The full guarantee of human rights in our country finds expression, first of all, in the full respect for the dignity and social rights of the working people.

In our country all citizens who have reached the age of 17 have the right to elect and be elected, irrespective of sex, nationality, occupation, property status, education, political view and religion and the working masses take an active part in all political activities ranging from working out state policies to their implementation.

In our country all working people have the freedom of speech, the press, assembly, association and demonstration, freedom of religious belief and the freedom of election.

Thus everyone exercises complete rights as masters of the state and society.

Today, in our country, all people live in happiness, with no worries about food, clothing, housing, medical care and education.

This means that our country is a genuine people's state where human rights are fully ensured.

Today, in South Korea, the "National Security Law" and many other fascist laws and repressive tools operate to ruthlessly trample upon the basic rights of the popular masses and brutally suppress the patriotic students who demand democratization of society and national reunification.

The United States and other Western countries, styling themselves a "defender" of democracy and human rights, continue their campaign against socialist countries.

MINJU CHOSON stresses: Our people who make much of the guarantee of human rights believe that national delegations and delegates and delegations and delegates of international organisations participating in the celebration meeting of the 40th anniversary of the adoption of the declaration of human rights held during the 43rd U.N. General Assembly session will bring to light the essence of the "human rights defence" advertised by the imperialists and actively strive to realise at an early date the desire of the world's people for human rights.

### South Korea

#### Appointment of New Vice Ministers Announced

SK1312012288 Seoul Domestic Service in Korean  
0000 GMT 13 Dec 88

[Report by correspondent Yi Chang-hon from the Ministry of Government Administration—live]

[Text] Today, the government appointed Yi Hyong-ku, minister of finance, as vice minister of the Economic Planning Board; Yi Tong-ho, commissioner of the Customs Administration, as vice minister of finance; Yim Hon-pyo, retired lieutenant general, as vice minister of national defense; Chang Ki-ok, director of the Planning and Management Office of the Ministry of Education, as vice minister of education; Kim Chin-won, Seoul vice mayor, as vice minister of sports; Yim In-taek, director of the Industrial Advancement Administration, as vice minister of trade and industry; Sin Yun-sik, director of the Planning and Management Office of the Ministry of Telecommunications, as vice minister of telecommunications; Son Chong-sok, director of the Central Officials Training Institute, as vice minister of government administration; and Choe Yong-hwan, director of the Planning and Management Office of the Ministry of Science and Technology, as vice minister of science and technology. The government also appointed Hong Chaehyong, first assistant minister of finance, as commissioner of Customs Administration; Pak Yong-to, second assistant minister of trade and industry, as administrator of Industrial Advancement Administration; and Kim Ha-kyong, deputy administrator of the National Railroad Administration, as administrator of the National Railroad Administration.

The government also appointed Pak Song-tal, assistant minister of home affairs, as mayor of Taegu Municipality; Choe Il-hong, vice minister of sports, as governor of

South Kyongsang Province; and Yun Paek-yong, director of the Planning and Management Office of Seoul Special City, as vice mayor of Seoul Special City.

The government also appointed An Chi-sun, governor of North Pyongan Province, as director of the Office of Administrative Coordination; Chong Mun-hwa, chairman of the Petition Deliberation Committee, as director general of the Central Officials Training Institute; and Hwang Pyong-in, director of the Planning and Management Office of the Ministry of Government Administration, as chairman of the Petition Deliberation Committee.

#### New Vice Ministers Profiled

SK1312022788 Seoul YONHAP in English  
0202 GMT 13 Dec 88

[Text] Seoul, Dec. 13 (YONHAP)—The government on Tuesday appointed Vice Finance Minister Yi Hyong-ku as vice economic planning minister, replacing Mun Hui-kap, who was named senior presidential secretary for economic affairs last week.

Yi, 48, who started his career at the Economic Planning Board (EPB), has served as assistant finance minister, vice construction minister and vice finance minister.

In a sweeping reshuffle affecting 19 vice ministers, governors and city mayors, the government also picked Yi Tong-ho, 51, administrator of the Office of Customs Administration, as vice finance minister.

Yim Hyon-pyo [as received], a 53-year-old retired three-star general, was named vice defense minister, while Chang Ki-ok, 52, director of the Education Ministry's Planning and Management Office, was promoted to vice education minister. Yim succeeds Sin Chi-ku as vice defense minister.

Kim Chin-won, 54, vice Seoul city mayor, and Yim In-taek, 48, administrator of the Industrial Advancement Administration, were appointed vice sports minister and vice trade and industry minister, respectively. Yim replaces Ho Man-hun as vice trade and industry minister.

Sin Yun-sik, 52, director of the Communications Ministry's Planning and Management Office, and Son Chong-sok, 50, director of the Central Officials Training Institute, were promoted to vice communications minister and vice government administration minister, respectively.

The government also promoted Choe Yong-hwan, 52, director of the Science and Technology Ministry's Planning and Management Office, to vice minister.



Hong Chae-hyong, 50, first assistant finance minister, was named administrator of the Office of Customs Administration, while Pak Yong-to, 52, second assistant trade and industry minister, was picked administrator of the Industrial Advancement Administration.

Kim Ha-kyong, 51, deputy administrator of the National Railroad Administration (NRA), was made NRA administrator.

Pak Sung-tal, 50, assistant home minister, was promoted to mayor of the city of Taegu, while Choe Il-hong, 55, vice sports minister, was transferred to the post of governor of South Kyongsang Province.

**U.S. Academic Cited on Ties With North**  
*SK1312014488 Seoul THE KOREA HERALD*  
*in English 13 Dec 88 p 1*

[Text] Tokyo (YONHAP)—There are increasing signs of change in North Korea, including its wish for the improvement of relations with the United States, the head of a leading American Research Institute has said.

John W. Lewis, director of the International Strategic Institute at Stanford University, also said in an interview with the MAINICHI SHIMBUN that the U.S. should withdraw its nuclear weapons from Korea as soon as possible to help promote inter-Korean dialogue.

MAINICHI carried the interview story in Monday's issue. The mass-circulation daily quoted him as saying that he saw the sign of change in view of the latest movement in north Korea and the impression he got when he visited there following the Seoul Olympics.

He said the North Korean leadership showed a positive response to a report jointly worked out by the institute and the Soviet Academy of Sciences in June that the United States and the Soviet Union render joint efforts in tackling the Korean question and seek the support of Japan and China.

The institute has agreed to conduct research conferences with North Korea twice a year.

As to the fact that Pyongyang has remained quiet though Seoul is actively launching "northern diplomacy," the director was quoted as saying that North Korea started to talk about its own troop reduction for the first time on Nov. 17. This is a sign of change in the communist country, he noted.

The North Korean leadership started to believe that the Korean peninsula is facing a turning point and that what is important is not ideology, but economic development, he said.

A summary of the questions and answers:

Q: When South Korean President No Tae-u was addressing the United Nations, proposing a six-nation summit conference, you were in Pyongyang. What was the north Korean reaction to No's speech?

A: You have to watch North Korean news carefully. The news seems to be negative. But they do not act negatively.

Q: The North Korean Supreme Council proposed an armed reduction and a three-way conference (involving South and North Korea and the United States). What is your comment?

A: North Korea had so far unilaterally demanded the withdrawal of U.S. forces and curtailment of armaments. But it mentioned, for the first time, its willingness to slash its Armed Forces. I think the three-way conference can be held in two different methods—first South and North Korea meet together before the United States joins them or start the conference with the participation of the three parties involved from the beginning. I think the United States should take part in the conference because it maintains troops on the Korean peninsula.

**No Stresses Continuity in Ties With U.S.**  
*SK1312034088 Seoul YONHAP in English*  
*0325 GMT 13 Dec 88*

[Text] Seoul, Dec. 13 (YONHAP)—President No Tae-u said Tuesday that there will never be any change in the basic tenet of the existing security cooperation system between South Korea and the United States.

No also said that the two countries will continue developing and strengthening the basis of their bilateral security system.

No, in his address at the graduation ceremony of the National Defense College, said, "We will seek necessary countermeasures to changes in circumstances in the close security cooperation with the United States."

Touching on domestic political developments, No made it plain that he would not follow the past authoritarian rulers' bids to prolong their suppressive rule under the pretext of security by saying, "The time has gone when national security is talked of in the perspective of the stability of a government or a regime. There should be neither a government wishing to abuse the cause of national security politically nor a political faction trying to make security an object of political tactics."

However, he said, "It is no less a serious concern that subversive forces, who were mistaken as democratic elements under authoritarian rule, are seeking to undermine free democracy to achieve an overtly-proclaimed violent revolution."



He also warned that his government would not tolerate acts that threaten security in the course of the ongoing democratization.

**Daily Urges Caution on U.S. Approach to North**  
*SK1312072088 Seoul KYONGHYANG SINMUN*  
*in Korean 12 Dec 88 p 2*

[Editorial: "The North Korea Card of the United States"]

[Text] The wave of our northward diplomacy, which has become active since the inauguration of the Sixth Republic, is now reaching beyond the country. It can be said that an example is the move of mutual contacts between the United States and North Korea. It is no exaggeration to say this is a visible outcome of our diplomatic effort, declared by President No Tae-u in his UN speech last October, to help North Korea extricate itself from international isolation.

If North Korea is freed from isolation, this will serve as a factor that will substantially contribute to alleviating tension between the North and South and eliminating the danger of war created due to the military confrontation. It will also contribute to planting the seed of peace and establishing a foundation for reunification.

It can be said that playing a supporting role for our northward policy on the sidelines is precisely the role that the United States can play as our ally, and is what our government desires.

In this respect, the recent remarks of U.S. Secretary of State Shultz are noteworthy. In revealing a U.S. policy aimed at improving relations with North Korea, he stated that the United States is willing to discuss anything with North Korea, provided that it resumes direct North-South dialogue. At the same time, U.S. Assistant Secretary of State Sigur officially disclosed that several contacts had been made, and human exchanges smoothly realized between the United States and North Korea, since the retaliatory U.S. step was taken against North Korea. This is noteworthy news for us as well. The indications are that the development of U.S.-North Korean relations is becoming more and more conspicuous.

The question, however, is whether such bilateral contacts are held for the strategic interest which we seek through our northward policy. In other words, if the United States is seeking a strategic approach according to its Korean peninsula policy by using the North Korea card, just as the Soviet Union has recently begun to move toward the Korean peninsula by cunningly using its South Korea card, this cannot be helpful for us.

According to a news report, the U.S. attitude adopted at the ROK-U.S. summit last October was by no means a display of full understanding of or support for our

independent northward diplomacy. Such a U.S. attitude shows that the possibility of using the U.S. North Korea card can never be ruled out for U.S. interests.

We still vividly remember the power game the major powers played during the course of dividing the Korean peninsula following the war and during the Korean war. However, when democratization fever is currently high at home, U.S.-Soviet major-power politics can no longer be acceptable and if such politics are pursued, the U.S. position in South Korea may face even more bitter condemnation. Accordingly, the United States should know that the U.S. approach to North Korea must be made within the framework of establishing a reunification foundation as sought by our northward diplomacy.

Moreover, the North Korean authorities are continuing to express a very displeasing hostility over the development of ROK-Hungarian diplomatic relations, which is assessed as a visible outcome of our northward diplomacy. Under these circumstances, it is necessary that the United States make a very prudent approach to North Korea.

As long as the North Korean communists maintain their belligerence and as long as they persist in the present posture toward the South based on their reunification strategy, the U.S. approach or its diplomatic effort toward this end will only be meaningless. Therefore, instead the United States should first try to advise North Korea to comply with the global order or should help it on the side so that it may seek such compliance. We think this is precisely a preferential step that can be taken by the United States.

Only on this premise and only through the creation of such an environment, will the strategy to help North Korea extricate itself from isolation through U.S.-North Korean exchanges—for example, human exchanges and various other contacts—produce substantial results.

At the same time, North Korea as well, instead of expressing displeasure over the development of ROK-Hungarian diplomatic relations or trying to hamper them, should adopt a more progressive attitude and come forward with a substantial step to improve North-South relations. They should know this is ultimately the key to the development of U.S.-North Korean relations.

**Government To Release 40 Political Prisoners**  
*SK1312130988 Seoul YONHAP in English*  
*1259 GMT 13 Dec 88*

[Text] Seoul, Dec. 13 (YONHAP)—The South Korean Government plans to release nearly 40 political prisoners around Dec. 20 as a follow-up to President No Tae-u's pledge on democratic reform measures, an official at the Justice Ministry said Tuesday.

The political prisoners expected to be freed include such prominent dissidents as Chang Ki-pyo, Kim Hyon-chang and Mun Pu-sik, the official said.

Chang was convicted for charges on his involvement in a violent anti-government demonstration in western port city of Inchon May 3, 1986.

Kim and Mun were sentenced to death and later were reduced to 20 years of prison terms for their involvement in an arson at the U.S. Cultural Center in Pusan.

The government also plans to restore civil rights of more than 500 dissidents who were arrested or convicted for their anti-government activities, the official said.

President No, in his special statement appealing to the nation to grant a political pardon to his disgraced predecessor Chon Tu-hwan, vowed to take bold reform measures for full democracy in an apparent move to calm popular fury surrounding alleged wrongdoings during the Chon government.

Among dissidents expected to be granted restoration of civil rights were Yi Pu-yong, former journalist who staged various anti-demonstrations, Han Hwa-kap and Kim Ok-tu, close aides to top opposition leader Kim Tae-chung, who heads the main opposition Party for Peace and Democracy.

**Prosecutor General To Subpoena Chon**  
*SK1312072188 Seoul YONHAP in English*  
0704 GMT 13 Dec 88

[Text] Seoul, Dec. 13 (YONHAP)—The nation's top prosecutor said Tuesday that he will subpoena, although not for criminal punishment, former President Chon Tu-hwan if necessary for the investigation into alleged corruption and irregularities during his rule.

"The clear and manifest principle of the prosecution is to allow no exceptions in subjecting anyone suspected of corruption, regardless of their social status, to its investigation," Kim Ki-chun, newly appointed prosecutor general, told his first press conference.

"Only in the case of former President Chon, it is difficult to subject his actions as president to judicial action because President No has requested a political pardon. However, we will subpoena him (Chon) for investigation if necessary, although we will not seek criminal punishment," he added.

Disclosing that he will organize under his direct control a task force in charge of probes into the alleged corruption and irregularities during Chon's rule, Kim said he will complete the investigations possibly by the end of the year.

"With an intensive, thorough, and speedy probe, we will reveal the truth and resolve public suspicions to bring about political and social stability," Kim said.

Kim added that the prosecution will handle only 19 cases, excluding some political and other cases for which No requested a political pardon, of the 44 cases the National Assembly is investigating. "All the investigations begin today," he said.

As for the case of Kim Hyon-hui, a self-confessed North Korean agent who helped carry out the bombing of a South Korean airliner last year, the prosecutor general said the prosecution will indict her without detention as soon as the Seoul District Prosecution completes its investigation.

In addition, Kim said the prosecution has released 54 of 83 dissidents whose trials were pending since No's Nov. 26 special statement calling for the release of imprisoned dissidents.

Kim said the prosecution will free more dissidents among the 25 now under investigation.

He said only those who involved in acts against society or court disturbances have been excluded from the release.

**Postponement of North-South Contact Asked**  
*SK1312050588 Seoul Television Service in Korean*  
0430 GMT 13 Dec 88

[Text] Kim Chae-sun, speaker of the National Assembly, said in a telephone notice this morning to Yang Hyong-sop, chairman of the Standing Committee of North Korea's SPA, that he is unable to do anything but postpone the seventh preparatory contact for North-South parliamentary talks scheduled for 15 December because of reasons concerning the membership of our side. He proposed to the North Korean side to hold the seventh contact on 29 December or on a date the North Korean side designates.

**North Notified of Review of Proposal**  
*SK1312054088 Seoul Television Service in Korean*  
0430 GMT 13 Dec 88

[Text] In a telephone notice this morning to Yon Hyong-muk, premier of North Korea's Administration Council, Kang Yong-hun, acting prime minister, said that he is carefully reviewing the proposal for North-South political and military talks put forth by the North Korean side on 16 November and that he will send a reply in the near future.

A relevant government official revealed that the fact that our side informed the North Korean side of its review of the North's proposal is unusual and that this notification

is designed to show the North Korean side that we are carefully and affirmatively reviewing the North Korean proposal for high-level North-South political and military talks.

North Korea sent a telephone notice to Yi Hyon-chae, then prime minister, on 16 November, and proposed that high-level North-South political and military talks headed by deputy prime minister-level officials be held.

The North Korean side put forth a comprehensive peace proposal. The major content of it was the phased reduction of armed forces in the North and South and the phased withdrawal of nuclear weapons.

#### **Assembly Speaker Requests Postponement**

SK1312060088 Seoul YONHAP in English  
0554 GMT 13 Dec 88

[Text] Seoul, Dec. 13 (YONHAP)—South Korea's National Assembly speaker asked his North Korean counterpart Tuesday to agree on postponing for two weeks the inter-Korean contact slated for Thursday to discuss a proposed full-dress joint parliamentary conference.

Kim Chae-sun, 65, proposed that the contact be rescheduled for Dec. 29 or another date to be set by North Korean lawmakers.

He made the proposal in a telephone message to Yang Hyong-sop, chairman of North Korea's Supreme People's Assembly.

Seoul's decision for a delay was apparently due to the recent resignation of Pak Chun-kyu as head of South Korea's delegation to the inter-Korean talks. Pak was appointed chairman of the ruling Democratic Justice Party last week.

South Korea's delegation also promised a prudent study of and an immediate reply to Pyongyang's call on Nov. 16 for high-level political and military talks between the two Koreas.

#### **North Calls for Talks With Dissident Group**

SK1012024088 Seoul YONHAP in English  
0226 GMT 10 Dec 88

[Text] Seoul, Dec. 10 (YONHAP)—North Korea has called for early realization of a "pan-national rally for peace and reunification of the Korean peninsula" earlier proposed by an organization of political dissidents in South Korea, informed official sources said Saturday.

An open letter released in the name of North Korea's "Committee for the Peaceful Reunification of the Fatherland" via Radio Pyongyang Friday called on South Korea to begin a contact on holding the rally in January as proposed by the South Korean organization, the said.

The letter was released in response to a proposal for the "pan-national" rally offered by South Korea's "headquarters for promoting a pan-national rally for peace and reunification of the Korean peninsula," a private body, on Sept. 22. The headquarters is led by the Rev. Mun Ik-hwan, a well-known dissident leader, and its membership includes a student activist group called the "national council of representatives of university students."

The North Korean committee said in its letter that it is ready to accept any proposal concerning the inauguration of the pan-national conference. It said the venue of the rally, whether the truce village of Panmunjom or third countries, can be decided in consideration of the participants' convenience.

The letter emphasized that the proposed "pan-national" rally must be "a conference in which representatives of South and North Korean social organizations and individuals championing peace and self-reliant reunification participate freely and discuss matters concerning peace and reunification without any restriction."

Meanwhile, a South Korean Government official expressed a negative view toward the North Korean proposal, saying, "It is highly likely that North Korea has presented the proposal as a part of its peace offensive designed to dodge the existing South Korean official proposal for an inter-Korea summit."

#### **Student Group Wants 'Pilgrimage' to North**

SK1312021888 Seoul THE KOREA TIMES in English  
13 Dec 88 p 3

[Text] A group of students calling themselves members of the "Association of Nationalistic Korean Students," proposed yesterday a march by students of South and North Korea traversing the boundary separating the two.

In a press conference, they said they would push ahead with the realization of the pilgrimage march across South and North Korea in May next year in a move to help restore homogeneity between the divided two parts and advance national unification.

The students said they are followers of an indigenous religion dubbed "Chungsando," that laments the enslavement of the Korean people by foreign ideas including religion.

Perceiving the restoration of homogeneity between the people of the divided halves as a must for national unification, the body suggested that history textbooks should be jointly compiled by the historians from the two sides.



**CHUNGANG ILBO Reporter Visits Pyongyang**  
*SK1312064488 Seoul CHUNGANG ILBO in Korean*  
12 Dec 88 p 1

[Text] CHUNGANG ILBO has sent Yi Chan-sam, chief editor of CHUNGANG ILBO's Chicago branch office, on special assignment to Pyongyang.

Reporter Yi obtained an entry visa from the North Korean Embassy in Beijing for the purpose of news coverage, and arrived in Pyongyang on 9 December aboard a Civil Aviation Administration of China [CAAC] airliner.

Reporter Yi is the first South Korean reporter to obtain an entry visa for North Korea for independent news coverage, other than those who went North in a group to cover the North-South dialogue, including the Red Cross talks.

For 8 days, until 15 December, reporter Yi will visit Pyongyang, Kaesong, and Mount Myohyang. He will also travel to the Taedong River, Kim Il-song Plaza, the Museum of History, the Fine Arts Museum, and the Pyongyang Student Palace. He will then gather news in depth about the people's life and social changes in North Korea since the nation's division by meeting concerned individuals and residents, as well as reporting on the way of thinking of North Korean compatriots.

On the day after his arrival in Pyongyang, reporter Yi sent an article about his impressions on his arrival through CHUNGANG ILBO's Chicago branch. The report follows:

"Stating that this is the first entry permission given to a South Korean person born after national liberation and the first visa issued to a South Korean reporter, the chief of the consular section in the North Korean Embassy in Beijing handed a blue visa card to me on 8 December.

"At 1830 that day, the North Korean Embassy arranged a dinner at a Korean restaurant in Beijing specializing in a Pyongyang-style cold noodle dish to celebrate my entry into North Korea.

"I am now staying in a room on the 29th floor of the Koryo Hotel in downtown Pyongyang. It is three o'clock in the morning. I arrived here at around 1130 in the morning, an hour behind schedule.

"I boarded the CAAC airliner in Beijing, but the plane departed a little late due to fog. After arriving at Sunan Airport, I came to this hotel. There are four people in our party.

"I discovered for the first time that I could have access to international telephone service to the Western world, including the United States, through this telephone line. As I asked the telephone operator in this hotel for an

international call to the United States, she put my line through. However, the fee for international telephone service is very expensive. It cost me \$70 for a 10-minute conversation.

"It appears that they are paying great attention to me because I am the first South Korean reporter to visit here. After checking in at this hotel on 9 December, I went downtown sightseeing, including a visit to the Nungna Gymnasium, with a guide.

"In the evening after sightseeing, I was invited to attend a dinner given by the president of the sightseeing company and high-ranking government officials.

"On the night of 9 December, there was a snowfall of about 3 centimeters in downtown Pyongyang. It began to snow at 1700 in the evening and made all streets white.

"After the dinner, I furtively left the hotel and walked the streets alone in downtown Pyongyang. Buses were running and many people were seen in town late at the night. I met with the people working at night.

"Although they used a dialect, I had no problems in communicating with them. This must be because we are of the same blood. I was deeply moved, even to the point of tears, by everything I saw.

"I walked around many places in Pyongyang until 1 o'clock in the morning and took many pictures. What was particularly interesting was that there was a disco club in Pyongyang and American and European tourists were dancing there."

**KOTRA Cited on Trade Office in East Bloc**  
*SK1312012688 Seoul YONHAP in English*  
0119 GMT 13 Dec 88

[Text] Seoul, Dec. 13 (YONHAP)—South Korea plans to establish its trade offices in the Soviet Union, Bulgaria and Poland in the first half of next year, facilitating economic exchanges with those countries, sources at the Korea Trade Promotion Corp. (KOTRA) said Tuesday.

South Korea, which has no diplomatic relations with those countries, has, however, recently strengthened its contacts with them in non-political sectors, such as sports and trade. Recently, Korea concluded economic cooperation agreements with those countries.

The sources said that KOTRA will set up a trade office in Moscow by next March. Three KOTRA officials are expected to work there.

KOTRA also plans to send a trade delegation to Moscow in the second half of next year while holding a Korean commodity fair there.

The fair, which is expected to be sponsored by KOTRA and supported by the Chamber of Commerce and Industry of the Soviet Union, will be the first official exhibition for the display of South Korean goods in the country.

KOTRA also plans to set up its trade offices in Bulgaria and Poland in the first half of next year. During that period, the corporation is expected to dispatch trade delegations to those countries while holding Korean commodity fairs there.

Meanwhile, KOTRA plans to pave the way for Korean businesses, under their own names, to participate in the 1989 Beijing international trade fair slated for July. The fair is sponsored by the China Council for Promotion of International Trade.

So far, South Korea has participated in fairs and exhibitions in China under the names of local corporations in third countries such as Hong Kong.

**USSR To Promote Economic Ties With ROK**  
*OW1312093088 Tokyo KYODO in English*  
*0905 GMT 13 Dec 88*

[Text] Tokyo, Dec. 13 KYODO—The Soviet Union will promote economic and trade contacts with South Korea while maintaining friendly relations with North Korea, Soviet diplomatic sources here said Tuesday.

Moscow opposes an idea calling for Japan and the United States to recognize North Korea in return for the Soviet Union and China recognize North Korea in return for the Soviet Union and China recognizing South Korea, the sources said.

The Soviet sources were briefing reporters about South Korea's approach to the Soviet Union following the Seoul Olympic games this autumn.

They denied that the Soviet Union has any intention to establish diplomatic ties with South Korea, saying it favors direct inter-Korean dialogue to settle the problems between North and South.

**Several Companies To Trade With Communist Nations**  
*SK1312112688 Seoul YONHAP in English*  
*0836 GMT 13 Dec 88*

[Text] Seoul, Dec. 13 (YONHAP)—Seven major Korean general trading companies plan to expand their trade volume with communist countries in 1989 to 3.29 billion U.S. dollars, up 46.5 percent from this year, a vernacular economic daily reported Tuesday.

The seven companies' total target for export to communist nations was set 44.3 percent higher than this year's 2.19 billion dollars, while the import target surged 50.9 percent to 1.10 billion dollars, according to the Seoul KYUNGJE SINMUN.

The seven general trading companies are Samsung, Ssangyong, Daewoo, Hyosung, Lucky-Goldstar, Sunk-yung and Hyundai.

In recent months, those companies have also sought joint ventures with China and Eastern European nations, as well as participation in the Soviet Union's Siberia development project.

South Korea does not have formal relations with any communist nations.

The primary marketing strategy of South Korean companies appears to be that of opening branch offices next year in communist countries which have agreed with Seoul to exchange trade offices, the Seoul KYUNGJE said, quoting business sources.

To date, the Soviet Union, Hungary, Poland, Yugoslavia and Bulgaria have agreed to set up or have already established their trade offices in Seoul.

The trading companies will participate in various product shows, and push for sales promotion in those markets, according to the morning daily.

The companies are also considering sending a number of their officials to Moscow, Budapest and other communist cities to study foreign languages, business customs and distribution networks, the paper said.

The 1989 communist bloc-bound export target of Samsung Co. Ltd., was set at 850 million dollars, and its import target at 170 million dollars.

Samsung plans to launch branch offices in Hungary and East Germany, and a trade office in Beijing by the end of this year. The company expects to see at least one of its branch offices in every Eastern European country by 1995.

Daewoo Corp., has set a target for export to communist nations at 590 million dollars and an import target of 180 million dollars.

Daewoo is focusing on joint ventures, primarily in hotel construction, and is considering opening a branch office in Moscow to participate in the Siberia development plan.

Lucky-Goldstar International Corp. hopes to realize 200 million dollars worth of exports to communist countries next year.

Encouraged by reported success in exclusive product shows this year in Hungarian cities, as well as East Berlin, Shanghai, and Beijing, Lucky-Goldstar plans another exhibition in the Soviet Union.

It is also promoting the construction of an electronic toy production plant and a petrochemical plant in China.

Hyundai, Ssangyong and Hyosung expect to increase their exports to communist countries by 40 percent next year.

**Talks With Japan on Siberian Project Planned**  
*SK1012013088 Seoul YONHAP in English*  
*0109 GMT 10 Dec 88*

[Text] Seoul, Dec. 10 (YONHAP)—Korean and Japanese Government officials will discuss possible joint participation in the Soviet Union's Siberia development plan in their trade conference slated for Dec. 13-14, a government source said Saturday.

Korea is expected to urge Japan to allow Korean construction firms to participate in large-scale construction projects in Japan, including the planned construction of the Kansai International Airport.

Korean officials will also call on their Japanese counterparts to carry out the smooth transfer of technology to South Korea, according to the source.

The Japanese delegation is expected to request that Seoul reconsider its steps to diversify its import sources to lessen the chronic trade deficit with Japan.

The Japanese officials will also take up such issues as the protection of Japanese intellectual property rights and opening of such Korean markets as trade, finance and services, according to the source.

In the talks to be held in Seoul, the Korean side will be led by Son Chun-yong, director of the Foreign Ministry's International Trade Affairs Bureau, while the Japanese delegation will be headed by Kazutoshi Hasegawa, director of the Foreign Ministry's Asian Affairs Bureau.

**Seoul To Request Participation in Japan Projects**  
*SK1112031588 Seoul THE KOREA TIMES in English*  
*11 Dec 88 p 6*

[Text] The government will formally ask Japan to allow Korean construction companies to participate in mammoth construction projects in Japan during bilateral trade talks in Seoul set for Tuesday and Wednesday.

Government sources said yesterday that cooperation in construction is included in the agenda of trade negotiations between the two country to tackle the issue on a government level.

Another major topic is the cooperation between Korean and Japanese business concerns for Siberian development projects.

It was recently reported that Japanese businesses have been calling upon Korean industries to undertake Siberian development projects in the form of joint ventures.

In the two-day trade talks, the Korean side will also ask Japan to transfer sophisticated technology to Korean business concerns. In the meantime, Japan is expected to ask Seoul to remove the system for the diversification of import sources on the ground that it is designed to restrict imports from Japan.

The Japanese delegation will also demand that Korea should protect Japanese intellectual property rights on an equal footing with those of the United States.

In addition, it will call for the liberalization of services industries, especially trade and financing, the government sources said.

**Trade Talks With Japanese Open in Seoul**  
*OW1312082388 Tokyo KYODO in English 0729 GMT*  
*13 Dec 88*

[Text] Seoul, Dec. 13 KYODO—Japan and South Korea began two days of trade talks in Seoul on Tuesday to discuss ways to promote bilateral trade and economic cooperation, a Japanese Government source said.

During the talks, the South Korean delegation will seek technology transfers in the field of semiconductors and other sectors of the electronics industry, especially concerning the most up-to-date and manufacturing-related technology, the source said.

The Japanese side is expected to maintain that such technology transfers be carried out on a private-sector basis, the source said.

South Korea is likely to call for Japan to ease its nontariff barriers, the source added.

**Government To Scrutinize Kwangju Publications**  
*SK1012002088 Seoul THE KOREA TIMES*  
*in English 10 Dec 88 p 2*

[Text] The government will closely examine photos carried by various publications, as well as circulating video tapes, depicting the bloodshed in the suppression of the 1980 Kwangju uprising to sort out shams.

President No Tae-u ordered the government step yesterday to prevent the misleading of public opinion by the circulation of fabricated materials.

An opposition legislator, Rep. Yi Hae-chan of the Party for Peace and Democracy, condemned the military's brutality in the Kwangju incident with the photo of an unrelated event in a parliamentary hearing on the tragic Kwangju incident Wednesday.

He presented before the hearing a photo of airborne soldiers beaming in front of dead bodies, describing them as the perpetrators of the brutality in Kwangju. But it proved to be a picture taken after a successful sweep of armed North Korean agents on an island off the southwestern coast in 1969.

Pointing to the episode of the House hearing, No told new key post-holders of the ruling Democratic Justice Party, "On this occasion, I will instruct the Defense Ministry to precisely verify photos and videotapes concerning the Kwangju incident."

Presidential spokesman Yi Su-chong quoted him as saying, "I think many a photo and video tape has been counterfeited deliberately."

No made the remarks after giving letters of appointment to the DJP leaders at Chongwadae.

Rep. Yi who picked the picture from the magazine WOLGAN CHUNGANG asserted that the responsibility for the mistake rests with the publication.

President No told governing party officers yesterday that the DJP should no longer be run by a handful of key post-holders but follow a democratic course of decision making through sufficient discussions among party members.

**RDP Seeks Special Assembly Prosecutors**  
*SK1012003088 Seoul THE KOREA TIMES*  
*in English 10 Dec 88 p 2*

[From the "Press Pocket" column: "False Testimony"]

[Text] The opposition Reunification Democratic Party decided in a meeting of key party officers yesterday to review ways of operating Assembly hearings in order to better cope with false testimonies by witnesses.

The RDP concluded in the meeting that it has no choice but to introduce special Assembly prosecutors for effective investigation of the military suppression of the 1980 Kwangju Uprising and Fifth Republic irregularities.

The opposition party already submitted an amendment to the Law on Testimony in the Assembly to introduce the special prosecutors while its rival opposition Party for Peace and Democracy seeks a special legislation for the same purpose.

But the New Democratic Republican Party led by Kim Chong-pil opposed introducing the special prosecutor system. NDRP President Kim called for thorough investigation by the government prosecution of Fifth Republic irregularities in a recent interview with a vernacular daily, instead of introducing the special prosecutors.

The consent of the 35-seat NDRP is required for the passage of an amendment bill or special legislation for the introduction of special prosecutors.

RDP president Kim Yong-sam instructed floor leader Choe Hyong-u and other key officers to "persuade the NDRP into agreeing to the introduction of the special prosecutors as soon as possible."

The ruling camp and the NDRP oppose the introduction of the special prosecutors, claiming that the introduction of special prosecutors to be under the direct control of the Assembly is contrary to the principle of the "separation of three powers."

Key RDP officers feared in the meeting that the on-going various Assembly hearings are losing the confidence of the general public due to "false testimonies" of witnesses and ineffective questioning by lawmakers.

"It is not easy to have the just-introduced public hearing take roots in our political culture, but many problems were exposed by testimonies by witnesses and questioning of the lawmakers," said Kim.

He called upon his party members to question witnesses under better "teamwork" rather than to seek their own popularity.

**Media Merger Hearing To Resume 12-13 December**  
*SK1112032888 Seoul THE KOREA HERALD in*  
*English*  
*11 Dec 88 p 2*

[Text] The parliamentary panel looking into the forcible closures and mergers of news organizations and mass dismissal of journalists in 1980 will convene its public hearing sessions tomorrow and Tuesday.

Requested to appear before the panel as witnesses are former Ministers of Culture and Information Yi Kwang-pyo, Yi Chin-hui and Yi Won-hong.

President-publishers of four major dailies in Seoul are also subpoenaed to testify before the panel along with journalists who were dismissed from their jobs in 1980 against their will.

Among other witnesses to be summoned to the parliamentary panel are such former or incumbent high-ranking officials of the Culture and Information Ministry as Kim Tong-ho, Ho Man-il, Yi Chong-pae and Yi Kyong-sik who were alleged to have been involved in suppression of the press in one way or another during the seven-year authoritarian rule of former President Chon Tu-hwan.



The two-day hearing will investigate who was behind the forcible closures and mergers of news organizations and ensuing mass dismissal of journalists in 1980 shortly after former President Chon Tu-hwan emerged as a strongman.

Also to be probed by lawmakers during the public hearing will be the controversial "press guidelines" that used to be imposed on news editors by the Ministry of Culture and Information as a means of censoring the news.

#### **Journalist Testifies on 'Suppression'**

SK1212084888 Seoul YONHAP in English  
0659 GMT 12 Dec 88

[Text] Seoul, Dec. 12 (YONHAP)—The "press guidelines" that used to be imposed on news editors by the government during the Fifth Republic of former President Chon Tu-hwan were not recommendations, but coercive instructions, a journalist said Monday.

In the hearing on press controls during Chon's seven-year authoritarian rule, Kim Chu-on, reporter at the daily Seoul KYONGJE SINMUN, said the news media had no choice but to follow the instructions.

"The then government claimed that the guidelines were only recommendations, but government agencies led away and assaulted journalists who did not follow the guidelines," Kim said.

In 1986, Kim, then a reporter at the daily HANGUK ILBO, disclosed that the press guidelines were delivered to all the domestic news media almost every day. Kim was put on trial later on charges of violating the National Security Law and received a suspended sentence.

"As far as I know, such government organs as Chongwadae (the presidential residence) and the Agency for National Security Planning drew up the guidelines, and the Culture and Information Ministry delivered them to the news media," Kim said.

"The government meddled in everything in editing newspapers," Kim said. "For example, the guidelines often said carry a story with a three-column heading or not carry a photo of somebody."

"A maximum of seven agencies from such government organs as the Agency for National Security Planning, the Defense Security Command, the national police headquarters and the Culture and Information Ministry had personnel stationed at the HANGUK ILBO," Kim testified.

"The government agencies delivered the press guidelines to media editors or collected information on (anti-government) movements of young reporters in the news media," Kim said. "Sometimes, the Culture and Information Ministry conveyed the guidelines over the telephone."

Those requested to testify Monday at the parliamentary hearings on press controls during the Fifth Republic are Kim Tae-hong and Sin Hong-pom, both dismissed reporters, as well as former Culture and Information Ministers Yi Kwang-pyo and Yi Chin-hui.

The president-publishers of the so-called four major dailies in Seoul—TONG-A, CHOSUN, HANGUK and CHUNGANG—have been summoned to testify before the panel on Tuesday along with journalists who were dismissed from their jobs in 1980 against their will.

Among other witnesses to testify at the hearings are former or incumbent high-ranking officials of the Culture and Information Ministry who allegedly were involved in press suppression during the scandal-plagued Fifth Republic.

The purpose of the two-day hearings is to investigate who was behind the forced closures and mergers of news organizations and the mass dismissal of journalists in 1980 shortly after Chon took power.

#### **Temple To Provide Amenities for Chon Couple**

SK1012010088 Seoul THE KOREA TIMES in English  
10 Dec 88 p 3

[Text] The former presidential couple may enjoy a kind of luxury in the mountain temple as the temple authorities go ahead with their plan to install a flushing toilet and a hot-water shower system.

The couple have been leading a life of self-imposed internal exile in the out-of-the-way temple in the rugged mountains in Kangwon-do.

The 40 million won project, originally to be finished next April has been expedited for the convenience of the Chons.

It was also learned that the temple has managed to provide electricity for the Chons at night with an engine taken from a cultivator.

The Chons have recovered from severe depression, and Chon now shaves more often. It seems that they have adapted to the new life, one monk commented when asked about the current life of the former president.

In the meantime, a group of protesters, comprising of students and monks, have ended their sit-in protest against the Chons.



**Assembly Panel Requests Chon's Presence at Hearing**  
*SK1012061688 Seoul YONHAP in English*  
*0611 GMT 10 Dec 88*

[Text] Seoul, Dec. 10 (YONHAP)—A National Assembly ad hoc panel agreed Saturday to request former Presidents Choe Kyu-ha and Chon Tu-hwan to testify during its hearings on the bloody military suppression of the 1980 civil uprising in Kwangju.

The special parliamentary committee sent letters of request for testimony to the two former presidents along with warnings that it will issue writs of parliamentary orders for testimony if they fail to respond to the requests.

The ad hoc panel also decided to hear testimony by former ruling party Secretary-General Pak Chun-pyong and other commanders of the then martial law forces at the hearings which are to resume from Dec. 19 until Dec. 21.

In addition, the panel decided to form two subcommittees in charge of drafting a list of questions, as a form of inquiry, to be sent to former U.S. Ambassador to Seoul William Gleysteen and a review of papers, photographs, and video materials submitted to the previous hearings.

Another parliamentary ad hoc panel, which has been probing corruption and irregularities during the Chon government, failed to resume its hearings because Chon, who had been asked by the committee to testify, did not appear.

The committee chairman said his panel will discuss whether to send a letter of request to Chon one more time or issue a writ of parliamentary order after a hearing scheduled for Dec. 14.

**Daily Urges Chon, Choe to Testify Before Assembly**  
*SK1312080288 Seoul KYONGHYANG SINMUN*  
*in Korean 12 Dec 88 P2*

[Editorial: "A Reef in Liquidating the Fifth Republic; Chon and Choe Should Testify Before the House Hearing Session"]

[Text] We have keenly realized again through the recent political stalemate that without liquidating the legacies of the Fifth Republic we cannot expect any progress in the democratization reform that the government of the Sixth Republic is now pushing ahead. We have also confirmed again that like the saying "all roads lead to Rome," all mistakes and irregularities of the Fifth Republic are linked to Mr Chon Tu-hwan and that the key to liquidating all problems is also held by Mr Chon Tu-hwan. We have also reached the conclusion that without testimony before the assembly hearings by Mr Chon Tu-hwan, who then held the real power over the military, and by Mr Choe Kyu-ha, who was president at

the time, it will be impossible to settle such heart-rending incidents of the old era as the Kwangju incident and the Samchong reeducation incident.

Without testimony before the house hearing session by the two former presidents who know better than anyone else the inside story of the 12 December incident and the 17 May incident and who should bear responsibility for the incidents directly or indirectly, it will be impossible to reveal the real historical truth and to liquidate the legacies of the old era no matter how many other witnesses may testify before the assembly hearings.

So far, many persons have appeared before various hearings of the assembly to testify about the irregularities of the Fifth Republic, the Kwangju incident and the suppression of the press during the Fifth Republic. However, most of them prevaricated in response to the lawmakers' sharp questions or tried to escape responsibility in such a way as to say "I don't know that," "I don't remember that," or "I was not involved in that." As a result, the Assembly hearings have failed to find decisive clues to a settlement of the problems. Sometimes, witnesses' answers have seemed to approach a settlement of problems at the beginning, but their answers have come to a point that cannot be clarified without Mr Chon's testimony. In a nutshell, in order to reveal the historical truth and to liquidate the old era, it is imperative for former Presidents Chon Tu-hwan and Choe Kyu-ha to stand before the Assembly hearings.

On 10 December the Assembly ad hoc committee for the Kwangju incident held a meeting and decided to ask 11 witnesses, including former Presidents Chon Tu-hwan and Choe Kyu-ha, to appear at the third hearing session of the committee to testify. On the same day, according to the decision, the ad hoc committee sent the two former presidents letters calling for them to appear at the session. In addition to this, the ad hoc committee decided to send a letter indicating that it would issue writs to escort them to the Assembly hearing on 19 December in case they refuse to attend the session.

It seems that according to this decision—which was endorsed by the three opposition parties, but opposed by the DJP—the ad hoc committee on the Kwangju incident will take such a strong measure as to bring criminal charges against them if they do not respond to the writs for escort. The people by no means want to see such a tense political situation. The way to escape such an acute political situation is for the two former presidents to appear before the assembly hearing and to clarify the truth of the Kwangju incident.

We would like to urge the two former presidents to appear before the assembly hearing session and show a dauntless and firm attitude of frankly admitting the truth, if there is any, in the prevailing rumors and correcting exaggerated rumors, if there are any corrections to be made, so that they will show the magnanimity and dignity worthy of former presidents.

Along with this, the government and the DJP alike should not give the people the impression that they are trying to unconditionally protect the two former presidents, because this will invite unnecessary misunderstanding from the people. Rather, they should persuade the former presidents to appear before the Assembly hearing session. Thus, they should show their firm and resolute will to liquidate the legacies of the Fifth Republic.

As has been shown in a public opinion survey, the majority of the people do not want Mr Chon Tu-hwan to undergo criminal punishment or political retaliation other than his rural life in seclusion after releasing a letter of apology to the people, yet they unanimously want to reveal all of the irregularities of the Fifth Republic and the truth of the Kwangju incident. The government should look squarely at this fact. About 40 percent of the respondents of the opinion survey want to impose criminal punishment upon Mr Chon Tu-hwan. The government should accurately gauge public sentiment toward the former president.

Therefore, if Mr Chon and Mr Choe consistently refuse to appear before the Assembly hearings and to testify and, thus, if they are subjected to criminal indictment, this will become indeed an unfortunate situation for their honor and dignity. We would like to advise the government and the ruling party that such a situation is also undesirable for the political position of the Sixth Republic and for the future political situation of the country.

**Headquarters Set Up To Probe Chon Irregularities**  
*SK1312012788 Seoul THE KOREA TIMES in English*  
*13 Dec 88 p 3*

[Text] The Prosecutor-General's Office [PGO] yesterday set up a special investigation headquarters to intensively probe various irregularities allegedly committed during the period of the Fifth Republic headed by former President Chon Tu-hwan.

Senior Prosecutor Pak Chong-chol, chief of the Central Investigation Department of PGO, will head the special investigation body composed of prosecutors from the central investigation department and the Special Investigation Department of the Seoul District Prosecution.

The special headquarters plans to investigate 15 cases of alleged irregularities out of 44 cases made public by the National Assembly's investigations.

The prosecution team plans to wrap up the first phase of the investigation by the end of the year. For this, prosecutors will summon all figures allegedly involved in cases of corruption and power abuse starting today.

Most of all, the special probe team will focus its efforts on finding out whether there had been graft committed in the course of the liquidation of insolvent enterprises, such as the Kukje Business Group, and the authorization of golf course openings.

The prosecution will also focus its probe on determining if high-ranking government officials had taken part in the alleged irregularities.

The prosecution plans to probe 15 alleged irregularities on its own. However, it is still undecided on whether to launch an intensive investigation into the scandal involving the Ilhae Foundation, based on its own decision or after receiving complaints from the National Assembly.

In connection with this, Prosecutor General Kim Ki-chon will clarify the prosecution's position today in a press conference.

The special investigation headquarters will have five divisions—the first division in charge of investigating golf course irregularities and the so-called "Northrop scandal," the second division tackling the alleged scandals in the course of the purchase of the "Chongnamdae" lot and the imports of cows; the third division in charge of the "dubious" liquidation of insolvent firms; the fourth division for investigation of the Saesedae Foundation set up by Yi Sun-cha, wife of former President Chon; and the fifth division in charge of the probe into the Ilhae Foundation.

**Former Police Intelligence Official Indicted**  
*SK1312020088 Seoul THE KOREA TIMES in English*  
*13 Dec 88 p 3*

[Text] The Nambu Branch of the Seoul District Prosecutors Office yesterday indicted So Chong-hui, 44, former intelligence section chief of the National Police Headquarters, for extorting money from business firms utilizing his position as a police officer assigned to the presidential secretary office during the Fifth Republic.

Prosecutors said that the former police superintendent was charged with the violation of the Additional Punishment Law on Specific Economic Crimes, as well as malfeasance.

**RDP Stresses Importance of 5th Republic Probe**  
*SK1312025288 Seoul THE KOREA TIMES in English*  
*13 Dec 88 p 2*

[Text] Kim Yong-sam's Reunification Democratic Party claimed yesterday that "liquidation of the bad legacies of the Fifth Republic is more important than the projected interim assessment," referring to a no-conference vote move against President No Tae-u.

The RDP denounced in a meeting of key party officers yesterday the No Tae-u administration's alleged lacks of sincerity and will to cut links to the Fifth Republic.

"The lukewarm stance of the government party and the administration will bring into question the reason for the existence of the present regime," said RDP president Kim after the meeting.

His remarks indicated an intention to mount an offensive against the No Tae-u regime if the liquidation of ill legacies of the Fifth Republic is further delayed.

Kim added, "How the legacies of the past are cleared away will determine the fate of the No regime."

Then the RDP president renewed his call for the appearance of ex-presidents Chon Tu-hwan and Choe Kyu-ha at the on-going Assembly hearings on the military suppression of the 1980 Kwangju uprising.

Other senior officers of the RDP also called upon prosecutors to immediately arrest Chang Se-tong, former chief bodyguard to Chon, Ho Mun-to, former senior presidential secretary for political affairs, Yi Hak-pong and other key aides to ex-President Chon who were accused of involvement in major scandals perpetrated during Chon's rule.

The RDP's clarification of its position on the foremost issue facing the nation came days after opposition rival Kim Tae-chung, the president of the Party for Peace and Democracy, Saturday hinted at strong moves to ask President No to keep his promise made in the presidential election last December to call a vote of confidence against him.

The RDP also decided in the meeting to seek an extra full House session in late January to deal with bills to revise or abrogate various "undemocratic laws" such as the National Security Law.

**Kim Tae-chung Hints Anew at No-Confidence Move**  
*SK1312074188 Seoul YONHAP in English*  
*0731 GMT 13 Dec 88*

[Text] Seoul, Dec. 13 (YONHAP)—Kim Tae-chung, president of the leading opposition Party for Peace and Democracy (PPD), on Tuesday hinted anew that he may initiate a no-confidence movement against the government of President No Tae-u.

President No Tae-u's recent reshuffle of the cabinet and ruling party leadership lineup disclosed his intention to win the planned interim test of public confidence in his government by gathering the remnants of the yushin (dictatorial ruling system under the late President Pak Chong-hui) and Fifth Republic, Kim said.

"No's intention for the reshuffle will never result in success," Kim said in a PPD meeting Tuesday. "Whatever difficulties there may be, the PPD will achieve a victory."

During his presidential campaign last year, No pledged to conduct an interim test of public confidence if elected president. Kim had earlier said he would not make an issue of the projected interim test of public confidence in the No government if No "does well" with democratic reforms.

However, in a press conference last Saturday, Kim said he would decide his final position on the interim test in February or March next year, adding that "the reshuffle showed no progress but only a setback in its (the government's) determination for democratic reforms."

"I planned earlier not to make an issue of the interim test, if No pushed ahead with democratization and liquidated vestiges of the Fifth Republic (of scandal-plagued former President Chon Tu-hwan)," Kim said. "Judging from No's attitude, however, I need to steady my mind for an ultimate decision on the interim test."

Kim also said his final decision on the interim evaluation would be made after observing public opinion, and the government's determination to eliminate vestiges of the Fifth Republic and democratize the nation.

**Compensation Figure Set for Samchong Victims**  
*SK1112030788 Seoul THE KOREA TIMES in English*  
*11 Dec 88 p 3*

[Text] The Ministry of National Defense will pay 34 million won in compensation to the bereaved families of victims who died at the forced military training camps of Samchongdae in the early 1980's.

The victims totaled 54, according to the statistics available at the ministry.

The compensatory measures were revealed by Defense Minister Yi Sang-hun at the government-ruling party meeting which was held at Chongwadae yesterday.

Under the ministry's compensation program, those who were wounded at the training camps would also receive money for consolation.

**Retired Paratroopers Protest at PPD Headquarters**  
*SK1312020888 Seoul THE KOREA HERALD*  
*in English 13 Dec 88 p 3*

[Text] Some 150 retired airborne troopers staged a protest in front of the National Assembly building in Yoido, central Seoul on Sunday, demanding that Rep. Yi Hae-chan of the Party for Peace and Democracy (PPD) be expelled from the legislature.



With their shirts off, the ex-Green Berets marched from the 63-story Daehan Life Insurance Building and started their protest in front of the Assembly's front gate at 11 a.m. After demonstrating for about two hours they rushed to the PPD headquarters on the sixth floor of a former department store building, about 400 meters away from the gate.

They scattered fliers urging the PPD to clarify whether it was the party's intention to have Yi present a bogus photo of the 1980 uprising at a parliamentary hearing last week.

Rep. Yi triggered a controversy on Dec. 7 when he showed a picture published in a monthly magazine which was later confirmed to be unrelated to the Kwangju tragedy.

The photo which showed soldiers posing for cameras with several bodies placed in front of them turned out to be a picture taken in 1969 when Green Berets killed North Korean spies in an operation on the west coast.

Four members of the Special Warfare Force have filed a libel suit against Rep. Yi and the publisher and editors of WOLGAN (MONTHLY) CHUNGANG.

**DJP Drafts Bill on Wire-Tapping, Censorship**  
*SK1012001488 Seoul THE KOREA TIMES in English*  
*10 Dec 88 p 1*

[Text] The government party and the administration yesterday drafted a bill in which wire-tapping and censorship of the mail would be prohibited in principle, during a meeting of relevant high-level officials.

Under the bill on the protection of secrecy in communications, wire-tapping and censorship of letters involving Koreans, the only exception will be allowed upon receiving prior permission of the court and is only for prosecutors' preventing crimes, specified in the Criminal Code, investigation and indictment.

In case of emergencies, prosecutors will be allowed to bug subversive telephone communications and censor letters without receiving in advance, permission, but they will be obliged to seek the courts' approval within 48 hours after their actions.

Bugging and letter censorship for foreigners or anti-state organizations such as North Korea and Chochongnyon, an active association of pro-Pyongyang Korean residents in Japan, will be subject to advance presidential permission on prior plans, mapped out by national security agencies and compiled by the director of the Agency for National Security Planning.

The plans should be reviewed by and passed through the National Security Council, which is usually chaired by the president, before the presidential endorsement, according to the draft, which will be introduced during the current regular session of the Assembly.

Censorship of communications by military personnel should follow decisions by military tribunals upon receiving requests from military prosecutors.

Bugging and censorship will be limited to three months after permission is granted and the period may be extended according to prior permission by the pertinent authorities.

Contents of communications obtained in the exceptional cases should not be bared public by any means even upon the request of the Assembly.

Contents of communications made available through illegal means will not be acknowledged as evidence in court rulings. Illegal infringements on secrecy in communications will be severely punished.

If the bill is passed, the Provisional Law on Mailings, which has formally banned censorship, will be abolished.

The consultation meeting was attended by Rep. Yi Sung-yun, chief policy-maker of the Democratic Justice Party, Justice Minister Hon Hyong-ku and Communications Minister Choe Yong-chol.

**Chief Justice Seeks To Change Court Laws**  
*SK1012010688 Seoul THE KOREA TIMES in English*  
*10 Dec 88 p 3*

[Text] Chief Justice Yi Il-kyu said yesterday that the Supreme Court will draft a revision to the current Court Organization Law in order to give the highest court the right to write and submit law bills.

The Supreme Court also seeks the right to draw up annual budget on its own.

The chief justice said that the Supreme Court's step is aimed at setting up an institutional device to guarantee independence of the judicial branch from political power.

Yi made the remarks in a meeting of chief judges of district and appellate courts from across the nation.

In a speech to the judges, Yi said, "Independence of the judiciary is a prerequisite for a more advanced and democratized judicial branch."

"Yi said that he will never allow any form of interference or exercise of influence in court trials or other judicial affairs.



Admitting that the judiciary had lost people's confidence and become a target of their criticism in the past, the chief justice said, "Judges should have the courage of a prophet who proclaims justice based on his conscience, as well as the attitude of a truth seeker."

Commenting on the human rights of suspects or defendants in criminal court proceedings, the chief justice pointed out that there are too many cases of "unnecessary arrests."

"Despite the principle of the Constitution and Criminal Procedure Code stipulating investigation and trial of suspects without physical detention, various forms of physical restriction of suspects have been customary in court proceedings," Yi said.

Yi asked the judges to be prudent in issuing writs aimed at restricting personal liberty.

As for the rampant courtroom commotions these days, the chief justice said that they are a grave challenge to judicial authority and constitutionalism.

"Such reckless acts can never be justified," the chief justice said.

**Laborers Demand Revision of 'Evil' Labor Laws**  
*SK1012010288 Seoul THE KOREA TIMES in English*  
10 Dec 88 p 3

[Text] Some 10,000 laborers staged a street demonstration yesterday to call for the immediate revision of "evil" labor laws and denounced Samsung Group for having suppressed labor movement.

The street protest in front of Samsung building and Yoido parliamentary building took place following a rally by laborers at the Chamsil Students' Gymnasium under the sponsorship of the Federation of Korea Trade Unions (FKTU).

In the rally, FKTU Chairman Pak Chong-kun said the revision of labor laws should be realized as soon as possible and suppression of labor movement should also be rooted out for democratic labor movement.

The laborers in the rally also adopted a 13-point resolution in which they demanded that three basic labor rights be guaranteed along with 44-hour work a week.

On the heels of the rally, some 1,000 laborers headed for Samsung building near South Gate and about 8,000 others for the National Assembly building on Yoido aboard buses and demonstrated there.

**Labor Dispute Threatens To 'Paralyze' Shipyards**  
*SK1112025988 Seoul THE KOREA TIMES in English*  
11 Dec 88 p 3

[Text] Three shipbuilding firms are at present bogged down in labor disputes, a situation likely to paralyze the firms involved if there is no solution soon.

The three are Kojé shipyard of Samsung, Daehan Shipbuilding Corp. in Pusan and Hyundai Heavy Industry's shipyard in Ulsan.

For the past 24 days, the Kojé shipyard has stopped production because of labor-management confrontations. Management refuses to recognize labor union which workers have formed.

The Samsung group's long standing policy is not to tolerate the establishment of labor unions. Instead, it would allow labor-management consultative committee, at the shipyard, arguing that all complaints of the workers can be "more rationally" taken care of there.

The Daehan shipyard in Pusan is also in trouble due to a labor-management showdown.

The Hyundai shipyard is also heading into rough water as workers are demanding 600 percent bonuses instead of the present 500 percent. They are threatening to go on general strike if their demand is not met.

**Bill on Bank Paid-in Capital Passed**  
*SK1112035488 Seoul THE KOREA HERALD*  
in English 11 Dec 88 p 2

[Text] The National Assembly Finance Committee yesterday rewrote the Korea Development Bank Act to pave the way for the wholly state-owned banking institution to increase its paid-in capital to 1.5 trillion won from the present 1 trillion won.

The increase of capital stock is aimed at securing some 300 billion won of capital infusion into ailing Daewoo Shipbuilding and Heavy Machinery, Ltd., a key affiliate of the Daewoo Business Group. KDB is a major shareholder of the financially troubled shipyard as well as the biggest creditor bank.

The Daewoo group has long been asked to come up with a bail-out package for the troubled shipyard.

Daewoo is under pressure to dispose of at least five of its affiliates including Daewoo Securities Co., Daewoo Investment and Trust Co. and the Seoul Hilton International to improve the balance sheet of the Daewoo shipyard.

Kim U-chung, chairman of the Daewoo Group, however, has thus far been less than enthusiastic in working out the self-help package.

At a closed-door session of the parliament finance committee, Kim reportedly told the panelists that his group is prepared to secure some 300 billion won in fresh capital to bail out the troubled shipyard by disposing of its affiliates or through mergers of subsidiaries.

Kim also suggested the debts-equity swap formula for some 250 billion won in KDB loans to the shipyard or repayment of the loans on a 10 year installment basis after a grace period of 10 years to help the ailing shipyard.

**Government Agrees to Rice Price Hike**  
*SK1312015488 Seoul THE KOREA HERALD*  
*in English 13 Dec 88 p 2*

[Text] The year-to-year increase in the rice purchase price has been set at 16 percent, instead of the 14 percent proposed by the government.

The decision was made yesterday by chief policy-makers and floor leaders of the four political parties.

They also decided the government will purchase all the "Tongil rice" farmers harvest.

**Ministry Reports 'Simplified' Tariffs on 25 Items**  
*SK1312022888 Seoul THE KOREA TIMES in English*  
*13 Dec 88 p 6*

[Text] "Simplified" tariffs on 25 commodities including refrigerators, video tape recorders and cameras will be slashed by 10-50 percentage points on Jan. 1 next year.

The Finance Ministry said yesterday it has decided to lower the simplified tariff on commodities travellers carry in as general tariff and special excise taxes will be lowered in accordance with the revision of pertinent laws.

The simplified tariff composed of tariff, special excise tax, value-add tax and defense tax is applied to commodities travellers carry in and other goods designated in the presidential decree.

The simplified tariff applied to travellers belongings and crewmen of aircraft and ships will be cut 10 percentage points to 30 percent if their combined value does not exceed 400,000 won.

Now, the 40 percent simplified tariff is imposed on belonging worth, in total, 250,000 won or less.

But, deer antlers, upright pianos and deluxe furniture will not receive the simplified tariff rate cut.

Precious metal products and synthesizers will be newly listed in the simplified tariff table with rates of 60 percent and 50 percent, respectively.

The simplified tariff on high-quality watches will be cut from 120 percent to 50 percent, that on expensive came as from 10 percent to 30 percent, that on ski outfits, air conditioners and VTR's from 100 percent to 20 percent.

Electric washing machine, largesized refrigerators, movie cameras, screen projectors, coffee, woolen carpets and TV cameras will receive a simplified tariff cut from 90 percent to 20 percent.

The rate on color TV sets, electric household appliances, electric heat and gas appliances will be lowered by 60 percentage points to 20 percent, that on gramophones will be cut from 70 percent to 20 percent.

The simplified tariff on small-sized refrigerators, electric organs, specific cosmetics, other than woolen fabric carpets, nutrition preparations and stimulants, crystal glassware and grand-type pianos will be lowered from 70 percent to 10 percent.

**\* Foreign Banks Enjoy Preferential Treatment**

**\* Increased Profits**

*41070018 Seoul ILYO SINMUN in Korean*  
*9 Oct 88 p 19*

[Text] Foreign banks operating in South Korea are enjoying enormous profits due partly to various special privileges accorded them and partly to their anomalous business practices such as securities investment.

There are 69 foreign banks from 15 different countries represented in South Korea; of them, 55 are currently operational. Last year alone, their net profits reportedly totaled 106.807 billion won, which was 33.6 percent more than their 1986 net profits of 79.8 billion won and nearly twice the total net earnings (52.7 billion won) of five major domestic city banks with 883 business offices nationwide.

The most profitable of them all was the Citibank—its Seoul and Pusan branches recorded net profits of 13.7 billion won and 3 billion won, respectively; combined, their net profits were 2.5 billion won more than that of the Hanil Bank's (14.2 billion won), the most profitable of all domestic city banks.

This phenomenon of foreign banks' enjoying such a high rate of earnings in South Korea has been a consistent trend since 1978, when the influx of foreign banks into the South Korean market began to increase markedly.

Beginning with 11.4 billion won in 1978, the net earnings of these foreign banks sharply increased as follows: 19.1 billion won in 1979, 39.8 billion won in 1980, 49.7 billion won in 1981, and 49.5 billion won in 1982, which was 8.9 billion won more than the combined net earnings

that year of five major domestic city banks. The trend continued at an even more extravagant pace: 55.4 billion won in 1983, 69.3 billion won in 1984, and 91.5 billion won in 1985.

These foreign banks operating in South Korea are being helped by the special privileges accorded them; in addition, they are achieving such enormous profits not so much through lending, which is their main line of business, but more through such sideline activities as securities investment.

Over the years, the government has extended various special privileges to foreign banks operating in South Korea: a measure instituted in 1985 made it possible for foreign banks to have their export loans rediscounted at the Bank of Korea and, at the same time, to engage in trust business; beginning in 1986 the rediscounting privilege has been expanded to include other instruments such as commercial bills.

Typical of these special privileges is a provision known as "swap" (sale of foreign currency with assured reconversion). This provision works as follows: In order to facilitate the foreign banks raising of local operating funds in won, the Bank of Korea buys their foreign currency received from their home offices and pays them in won; then, after a fixed period of time, the Bank of Korea reconverts the won into dollars for them. Moreover, so as to save these foreign banks from exchange losses, the reversion is at the same exchange rate that was applied when the foreign currency was sold to the Bank of Korea. In addition, even an interest payment equivalent to 0.3 percent of the foreign currency principal is paid to the foreign bank involved.

Consequently, the foreign banks are profiting in a three-fold way: the profit from lending, the interest earned on the foreign-currency principal, and the exchange profit resulting from the appreciation of the won.

Meanwhile, it has come to light that as the domestic securities market began showing signs of bullishness, the foreign banks in South Korea, in pursuit of greater earnings, became more interested in securities investment than in their primary business of lending.

In the case of the 15 U.S. banks operating in South Korea including the Citibank, their combined total of outstanding loans as of the end of 1987 was 1,733.9 billion won, a decline of 50.8 billion won from the 1986 year-end balance of 1,784.7 billion won, whereas their combined securities investment totaled 167.4 billion won at the end of 1987, an increase of 35.5 percent over the 1986 year-end total of 123.5 billion won.

The Citibank's Seoul branch, in particular, had securities investment amounting to 39.9 billion won as of the end of 1987, which was an increase of 62.9 percent over the 1986 year-end holdings of 24.5 billion won; on the other

hand, its balance of outstanding loans declined 7.7 percent in the same 1-year period, from 401.7 billion won as of the end of 1986 to 370.8 billion won at the end of 1987.

The same general trend, i.e., the emphasis on securities investment, held true for the 9 Japanese banks, including the Fuji Bank, as well: their combined securities investment totaling 39.3 billion won as of the end of 1987 was no less than 16 times their 1986 year-end holdings of 2.5 billion won, whereas the balance of their outstanding loans increased a mere 25.3 percent over the same period, from 1,426.1 billion won as of the end of 1986 to 1,787.3 billion won at the end of 1987.

As noted above, in South Korea, favorable operating conditions coupled with special privileges conducive to enormous profits are proving to be a significant inducement factor for foreign banks. As a result, in addition to those banks from our trading partner-nations, such as the United States, Japan and European countries, that are already operating in South Korea as part of their own diversification efforts, large numbers of banks from other countries are showing signs of wanting to enter the South Korean market.

Since the beginning of this year, the government has already granted four Japanese banks, including the Daiwa Bank, the approval to establish their branches in South Korea; in addition, the government reportedly has reached the decision to approve the establishing of branches in South Korea by three other foreign banks—the National Bank of Canada, the Arab Bank of Jordan, and the National Bank of Australia.

In addition, the Credit Lyonnaise of France and the Bank of Boston of the United States have been granted permission to open an additional branch each in Pusan.

All these banks are expected to establish branches—some new, some additional—in South Korea before the end of the first half of next year; thus, the outlook is that by the end of the first half of next year, the number of foreign banks in South Korea will increase to 64 from the 54 that are already operating.

Meanwhile, the Citibank of the United States has recently filed an application with the Banking Supervisory Agency for permission to open 5 new branches in 1989 as part of its overall plan to establish a total of 25 branches throughout South Korea over the next 5 years. All in all, it appears that the number of foreign banks' branch offices in South Korea will continue to increase in the days ahead.

#### \* Irregularities Noted

41070018 Seoul MAEIL KYONGJE SINMUN  
in Korean 12 Oct 88 p 1

[Text] Violations of the domestic banking regulations and noncompliances with instructions of the supervisory authorities are ever-increasing phenomena among foreign banks operating in our country.



The consequences are that not only are our domestic banking institutions, which necessarily must compete with these foreign banks, innocent victims, but the discipline of the entire banking system is being disrupted.

According to the data the Banking Supervisory Agency submitted to the Finance Committee of the National Assembly on 12 October—the submission of data was in conjunction with the ongoing National Assembly's audit and inspection of government agencies—the number of such infractions resulting in official warnings to the foreign banks involved has been increasing sharply year after year: 1 case in 1985, 4 cases in 1986, 7 cases in 1987, and 15 cases in 1988.

A breakdown by type shows that the highest number, 12 cases, of these infractions involved issuance of postdated self-addressed checks; the next highest number, 11 cases, involved improper handling of currency options. Improper handling of forward exchange accounted for five cases. In addition, the same data also revealed two other cases of infractions that resulted in official warnings: one involving excessive securities investment over the authorized limit, the other involving improper handling of the money in trust.

The cases cited above are only the ones that have resulted in official warnings. The actual number of regulatory violations and noncompliances with official guidelines—the casual acts for official warnings—has now reached 327 cases. Grouped by type, these infractions are 62 cases of improper handling of currency options, 251 cases of improper handling of forward exchange transactions, 12 cases of issuing postdated self-addressed checks, 1 case of exceeding the authorized limit of securities investment, and 1 case of improper handling of the money in trust.

The above statistics indicate that the local branches of foreign banks are not only committing these improper acts but committing them repeatedly and on a continuing basis.

As for the number of warnings individual banks have received, topping the list is the Bank of America with three warnings—one a year over the 3-year period from 1986 to 1988. Those that have received two warnings each are American Express, the Chase Manhattan Bank, the First National Bank of Boston, Paribas Bank, and Manufacturers Hanover Trust.

In terms of the number of infractions committed by individual banks, American Express has been the leading offender with a total of 107 infractions, all but one of which are violations of the regulations governing forward exchange transactions. The two runners-up are the Lloyds Bank and the First National Bank of Chicago with 64 infractions and 41 infractions, respectively.

An analysis of these regulatory infractions by foreign banks indicates that none of them are the kind of irregularities that could lead to the disruption of the banking sector; rather, most of them are infractions motivated by the desire to maximize profit.

Take, for example, the practice of drawing postdated checks. In the case of domestic banks, this practice has been nearly rooted out as a result of stern actions taken against the offender, actions such as dismissal of the responsible person; in contrast, foreign banks are resorting to the practice repeatedly and on a continuing basis, which gives them a relative advantage in operational terms over domestic banks.

In the case of the infractions involving currency options, improper lendings by foreign banks have even had the side effect of contributing to the expansion of the volume of currency in circulation. The table below is an enumeration by type of the regulatory infractions committed by the domestic branches of foreign banks:

**Table: Uncovered Regulatory Infractions by Domestic Branches of Foreign Banks**  
**A. Securities Investment in Excess of Authorized Limit**

| Name of Bank  | Country | Year Exposed | Summary Offense   | Total Number Infractions |
|---|---------|--------------|---|--------------------------|
| First International of California                     | U.S.A.  | 1986         | Exceeded limit by 1.9 billion won; invested in corporate bonds and other securities | 1                        |
| <b>B. Issuance of Postdated Self-addressed Checks</b> |         |              |   |                          |
| First National of Boston                              | U.S.A.  | 1987         | Face value 1.983 billion won (3 checks)   | 1                        |
| Continental of Illinois                               | U.S.A.  | 1987         | Face value 1.03 billion won (5 checks)  | 1                        |
| First Interstate of California                        | U.S.A.  | 1987         | Face value 2 billion won (2 checks)   | 1                        |
| American Express                                      | U.S.A.  | 1987         | Face value 850 million (4 checks)   | 1                        |
| Deutsche Bank   | FRG     | 1987         | Face value 300 million (1 check)  | 1                        |
| Bank of America                                       | U.S.A.  | 1987         | Face value 45 billion won (25 checks)   | 1                        |
| Paribas   | France  | 1987         | Face value 29.95 billion won (12 checks)  | 1                        |
| Chase Manhattan                                       | U.S.A.  | 1987         | Face value 900 million (2 checks)   | 1                        |
| Manufacturers Hanover Trust                           | U.S.A.  | 1987         | Face value 16.3 billion won (13 checks)   | 1                        |
| Canada Royal  | Canada  | 1988         | Face value 3.054 billion won (9 checks)   | 1                        |
| Standard Chartered                                    | UK      | 1988         | Face value 12.3 billion won (15 checks)   | 1                        |
| UMAF  | France  | 1988         | Face value 600 million (2 checks)   | 1                        |

**C. Improper Handling of Money in Trust**



|  |           |      |   |     |
|--|-----------|------|---|-----|
| Chase Manhattan  | U.S.A.    | 1986 | Paid extra profit (33 million) to trustees as inducement for trust deposits   | 1   |
| <b>D. Improper Handling of Currency Options</b>              |           |      |   |     |
| Bankers Trust  | U.S.A.    | 1988 | Abused basic law governing currency options to make illegal loans (\$525 million)   | 7   |
| Chemical Bank  | U.S.A.    | 1988 | Abused basic law governing currency options to make illegal loans (\$200 million)   | 2   |
| Citibank   | U.S.A.    | 1988 | Abused basic law governing currency options to make illegal loans (\$716 million)   | 15  |
| Paribas  | France    | 1988 | Abused basic law governing currency options to make illegal loans (\$103 million)   | 5   |
| Bank of America  | U.S.A.    | 1988 | Abused basic law governing currency options to make illegal loans (\$533 million)   | 8   |
| Chase Manhattan  | U.S.A.    | 1988 | Abused basic law governing currency options to make illegal loans (\$245 million)   | 5   |
| First National of Boston                                     | U.S.A.    | 1988 | Abused basic law governing currency options to make illegal loans (6,350 million)   | 5   |
| Midland Bank   | UK        | 1988 | Abused basic law governing currency options to make illegal loans (\$80 million)  | 3   |
| West Pack Banking Corp                                       | Australia | 1988 | Abused basic law governing currency options to make illegal loans (\$112 million)   | 4   |
| Manufacturers Hanover Trust                                  | U.S.A.    | 1988 | Abused basic law governing currency options to make illegal loans (\$200 million)   | 4   |
| Credit Lyonnais  | France    | 1988 | Abused basic law governing currency options to make illegal loans (\$116 million)   | 4   |
| <b>E. Improper Handling of Forward Exchange Transactions</b> |           |      |   |     |
| Lloyds   | UK        | 1985 | Made forward exchange contracts having no bearing on actual-demand transactions   | 64  |
| American Express   | U.S.A.    | 1986 | Made forward exchange contracts having no bearing on actual-demand transactions   | 106 |
| First Interstate of California                               | U.S.A.    | 1986 | Made forward exchange contracts having no bearing on actual-demand transactions   | 27  |
| Bank of America  | U.S.A.    | 1986 | Made forward exchange contracts having no bearing on actual-demand transactions   | 13  |
| First National of Chicago                                    | U.S.A.    | 1988 | (1) Failure to exact original copies of certificates on actual-demand transactions<br>(2) Failure to exact evidential documents on reasons for extensions | 41  |

## Burma

### Prime Minister Receives Thai Ambassador

BK1212064988 Rangoon Domestic Service in Burmese  
0630 GMT 12 Dec 88

[Text] General Saw Maung, prime minister of the Union of Burma, received Mr Thongchan Chotikasathian, dean of the diplomatic corps and Thai ambassador to Burma, at the Dagon Yeiktha of the Ministry of Defense at 1000 today.

Also present at the meeting were Brigadier General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council; U Ohn Kyaw, director general of the Foreign Ministry's Political Department; and U Shwe Zin, director general of the Foreign Ministry's Protocol Department.

### Australian Envoy Interviewed on Developments

BK1312095988 Melbourne Overseas Service in English  
0803 GMT 13 Dec 88

[From the "International Report" program]

[Text] Although fighting continues between troops and the ethnic rebels on Burma's southern border, the country is once again quiet following the greatest political upheaval in decades. Hundreds of thousands of people took to the streets across the country in August and September demanding democracy and an end to 26 years of a one-party state. The demonstrations were brought to an abrupt halt by a military coup, and although the military government is maintaining tight control over dissent, political parties have been formed in anticipation of promised general elections.

During the height of the rioting, communications with Burma were virtually impossible. Foreign journalists were not allowed into the country, and those who managed to sneak in could not stay long. Australia's ambassador to Burma, Chris Lamb, is in Australia at present, and he told Chris Clark that apart from a curfew, life in the capital, Rangoon, had almost returned to normal. However, he says many of the problems which led to the riot, particularly the food shortages, have not been solved.

[Begin recording] [Lamb] A lot of the problems that we have had in the last 6 months in Burma have been caused by high prices of food. Prices haven't declined in, say September-October, they are now rising again. I don't think the government is beyond the problems that it can face from its people, for the people of Burma ordinarily won't make a tremendous noise about political difficulty; they will do so if there are food shortages. This is believed to be interpreted outside Burma as being a political scream, but it's not really; it is a food, clothing, and shelter scream.

[Clark] Many political parties have sprung up in Burma in anticipation of the promised general elections. But when might those elections be?

[Lamb] Well, I left Rangoon on last Thursday, on the afternoon flight, by that time there were 159 political parties registered with the Elections Commission, and I think, the total number will probably be somewhere around 200, maybe 250, by the time they finish. They provide, in turns, all over the country, in ethnic groups or in professional groups, legalized meeting places at which political discussions can take place. That is something they haven't had in Burma for over a quarter of a century, and it is very much welcomed by many of these people. It doesn't mean the political parties themselves will go ahead and take part in the elections, but it does mean that they are getting together now, large groups of people, all over the country. Probably, the total membership of these parties is several million people, and that's informed people, getting together, actively discussing politics. A lot of political observers in Burma say that they are so good that it counterbalances the negative side of there being 159 parties. And it is easy to reach the conclusion, as an amateur observer, that 159 parties spelled electoral catastrophe and perhaps put off the time when the elections might be held. You can argue on that ground that the military would now wait for the parties to sort themselves out and reduce themselves to say 2 or 3 parties like we are used to in Australia, or in say Burma 2 or 3 plus about 10 ethnic parties, and then they would go ahead and have elections; that might mean the elections couldn't be held for 2 or 3 years or more. But I don't think so, I think what they will do, and it is only a supposition, but I think that what they will do is to have elections sometime in the first half of 1989 and when that happens, most of these parties—the 159—will merge with one another—they all have very similar programs, anyway—and we will end up with two or three major parties and with, say 10 or so ethnic parties that I mentioned. And I think we will get elections in that first half.

There is another problem with elections and that is just what will they elect, and my thinking about that is they will probably find their very first task as a parliament is to write a constitution of the country and put that then back to the public for a referendum approval.

[Clark] Let me take you back now. What do you feel when you look back on the height of the troubles in August and September? It must have been pretty frightening at times?

[Lamb] You feel very sad, as a person who lives there and has many Burmese friends, for what the country had come to, and for what the people were suffering all over the place. Every category of person in society suffered in that time, and you come away wondering just what it was that could have provoked such a frenzy and such violence at the time.

[Clark] As a diplomat, were you trying to cope with that situation or was it something they simply don't put in the manual?

[Lamb] It so seldom happens that I don't think it is easy to put a thing like that into the manual, they would probably rely on common sense of the people on the ground and hope that everything works out all right. [end recording]

**Commission Announces Registration of 162 Parties**  
*BK1212150488 Rangoon Domestic Service in Burmese*  
1330 GMT 12 Dec 88

["Press Release No 145/88 of the Commission for Holding Democratic Multiparty General Elections, dated 12 December—the 4th day of the waxing moon of Nadaw, 1350 Burmese era"]

[Text] As of 8 December, a total of 161 political parties had registered with this commission in accordance with the Political Parties Registration Law. The following political parties were allowed to register today—12 December:

1. People's Pioneer Party, PPP

Hence, as of today, a total of 162 political parties have registered with this commission under the Political Parties Registration Law.

**More Political Parties Announce Programs**

**Democracy Reformation League**  
*BK1212124788 Rangoon Domestic Service in Burmese*  
1330 GMT 11 Dec 88

["Press Release No 142/88 of the Commission for Holding Democratic Multiparty General Elections, dated 11 December—the 3d day of the waxing moon of Nadaw, 1350 Burmese era"]

[Text] 1. The following are extracts of the objectives and future programs of the Democracy Reformation League, which has registered with the Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 2, Khemathi Road, Migyaungkan Section 3, Thingangyun Township, Rangoon Division.

2. Aims:

A. To cooperate with other like-minded political parties for the emergence of a government that can guarantee the comprehensive development of Burma, human rights under the UN Declaration of Human Rights, and people's rights under genuine democracy.

B. To strive for the unity of national people by political means.

C. To create conditions for the peaceful pursuit of an education that is of international standards, and for the state to timely grant rights to students while providing them with life security within the framework of law.

D. For national groups to show mutual recognition and respect for each other's culture, customs, and traditions; to enable them to work freely to the best of their physical and mental capabilities for the development of their own regions without disintegrating the union; and to ensure that the country lasts forever as a cohesive, strong union of Burmese national groups.

E. To enable genuine tillers to own land according to the labor they contribute, and to move as quickly as possible toward mechanization of agriculture.

3. Programs

A. To build a free and fair economic system at home, and to freely permit the establishment of industries with foreign investments.

B. To extend the services sector overseas as a means of earning foreign exchange.

C. To establish a free education system within international standards up to the higher level for all citizens. A definitive and fair examination system shall be implemented.

D. To make the state fully responsible for the health of each individual regardless of race or religion, to give priority to preventive health measures, and to cooperate with foreign countries in the establishment of modern hospitals, acquirement of hospital equipment, and the application of international medical sciences.

E. To cooperate with all nations if such cooperation contributes to the development of the Union of Burma, and to avoid foreign policies that will lead to the disintegration of Burma's independence and its democratic forces.

F. For the defense of the country, to promulgate a reserve army law that requires every healthy individual of age to join the national service for a specified period.

G. The principles of equality, fairness, and goodwill shall apply in administering justice.

**Vitality of People's Democracy**  
*BK1312044588 Rangoon Domestic Service in Burmese*  
1330 GMT 12 Dec 88

["Press Release No 144/88 of the Commission for Holding Democratic Multiparty General Elections, dated 12 December—the 4th day of the waxing moon of Nadaw, 1350 Burmese era"]

[Text] 1. The following are the extracts of the objectives and future programs of the League for Vitality of People's Democracy, which has registered with the Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 62, Kyaikkasan Main Road, Tamwe Township, Rangoon Division.

2. Aims:

- A. To promote and perpetuate genuine multiparty democracy practices;
- B. To ensure perpetuation of the Union, national unity, and equal enjoyment of democratic rights; and
- C. For all national people of the Union to live in harmony.

3. Programs:

- A. To practice multiparty parliamentary democracy system which serves the interests of the citizens;
- B. To prescribe compulsory military training for those who have turned 18 years of age for national defense;
- C. To practice nonaligned policy in foreign relations and to strive to become a member of the Association of Southeast Asian Nations;
- D. To strive for an independent union system composed of indigenous national people;
- E. To allow freedom in establishing private enterprises, companies, joint ventures and to obtain technical know-how and foreign investment from developed countries in working for mutual interests;
- F. To prescribe a compulsory free primary education system and to educate needy students for middle school, high school, and university with state expenses;
- G. To allow establishment of world standard private schools, colleges, and universities to pursue various subjects in accordance with law according to circumstances;
- H. To allow citizens to pursue university studies of their free choice as they are capable of determining their own destiny;
- I. To make arrangements for regional administration by representatives democratically elected by local indigenous people so as to obtain the full right of administration to obtain a full guarantee for the preservation of unity of the national people of the Union;
- J. To observe and practice the clauses contained in the UN Declaration on Human Rights; and
- K. To promote freedom of the press, literature, and arts which ensure perpetuation of genuine democracy and to preserve and safeguard the national culture of Burma.

**United Trade Union Congress**

BK1312035588 Rangoon Domestic Service in Burmese  
1330 GMT 12 Dec 88

["Press Release No 143/88 of the Commission for Holding Democratic Multiparty General Elections, dated 12 December—the 4th day of the waxing moon of Nadaw, 1350 Burmese era"]

[Text] 1. The following are the extracts of the objectives and future programs of the United Trade Union Congress, Union of Burma, which has registered with the Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 34, Golden Valley Road, Bahan Township, Rangoon Division.

2. Aims:

- A. To unite all workers and workers organizations in the Union of Burma without discrimination as to belief, race, religion, color, and sex to form a single workers organization;
- B. To actively participate in establishing a peaceful, united, and democratic country in accordance with a multiparty democratic system;
- C. To demand, obtain, and safeguard the political, economic, and social rights of workers in accordance with the UN Declaration on Basic Human Rights and rights prescribed by the ILO;
- D. To defend and safeguard the rights of workers;
- E. To unitedly strive for workers rights through a workers trade union without discrimination as to belief, race, religion, and color despite existence of various political parties under a multiparty system;
- F. To participate in activities which serve the entire humanity such as safeguarding world peace, opposing racial discrimination, and working for disarmament; and
- G. To promote friendship and solidarity with international workers.

3. Programs:

- A. To liaise and cooperate with organizations which have common goals to achieve the prescribed goals;
- B. For workers to have the right to work and to enjoy benefits of their labor in proportion to their labor, technical knowledge, and expertise;
- C. To obtain, safeguard, and defend the workers rights to form a workers organization in accordance with the ILO principles and to obtain basic rights—freedom of belief, organization, speech, writing and publication, participation, and demonstration;
- D. To uplift the low standard of living so as to achieve balance in wages and costs of commodities and relief in housing and transportation;
- E. To work for the interests of workers and people in the public, cooperative, and private sectors;
- F. To ensure workers participation in administration and management in factories, mills, and departments;
- G. To encourage cooperation between employers and workers to ensure good relations and industrial peace in establishing a democratic country;
- H. To draft worksite regulations with the participation of workers; and
- I. To work for national unity based on equality.

**Brunei, Malaysia & Singapore**

**Brunei**

**Support Extended for New Palestinian State**

BK1312070888 Kuala Belait THE BORNEO  
BULLETIN in English 26 Nov 88 p 1

[Excerpt] Brunei has joined nations around the world in voicing its support for the newly-declared independent State of Palestine.



A statement issued by the Brunei Government last week said "Brunei Darussalam welcomes the decision by Palestine National Council to accept the United Nations security council resolution 242 of 1967.

"This is a positive step towards a solution in the Middle East", the statement added.

Brunei Darussalam has always supported the legitimate struggle of the Palestinian people to regain their inalienable rights to self-determination and the right to their own independent and sovereign state.

"Brunei Darussalam supports the declaration by the Palestine National Council for the creation of the new independent Palestine State," the statement said.

Many countries have already expressed their recognition and a Brunei official said: "Brunei's support is tantamount to a recognition." [passage omitted]

#### **Sultan Bolkiah Denies Appointment of Hamzah**

*BK1312070688 Kuala Belait THE BORNEO BULLETIN in English 19 Nov 88 p 1*

[Text] His Majesty the Sultan and Yang Di Pertuan [ruler] has denied a foreign press report that he had appointed former Malaysian Finance Minister, Tengku Razaleigh Hamzah, as his financial adviser.

The report was "absolutely baseless" said a statement from the Prime Minister's Department issued on Wednesday [16 November].

The statement added that His Majesty "stresses that he has never appointed Tengku Razaleigh Hamzah as his financial adviser." A newspaper in Malaysia published the allegation.

Malaysia's current Finance Minister, Datuk Daim Zaidin, also denied the report, with the Sultan's consent, at the recent general assembly of the United Malay National Organisation (UMNO).

### **Malaysia**

#### **Cuba Interested in Joint Industrial Research**

*BK1012065088 Kuala Lumpur BERNAMA in English 0620 GMT 10 Dec 88*

[Text] Kuala Lumpur, Dec 10 (OANA-BERNAMA)—Cuba has expressed interest in industrial research being conducted by local agencies like the Standard and Industrial Research Institute and is keen on increasing cooperation in this area, Deputy Science, Technology, and Environment Minister Law Hieng Ding said Saturday [10 December].

Speaking to reporters after Cuban Deputy Foreign Minister Giraldo Mazola Collazo called on him at his office here, Law said their hour-long meeting enabled both leaders to seek possible areas for increasing cooperation in the fields of science, technology, and environment.

Cuba and Malaysia have no technological or scientific exchanges as yet, he added.

Law said other topics brought up were the pollution problem of agro-based industries, and the disposal of hazardous and toxic wastes.

Collazo is on a five-day official visit to Malaysia which ends tomorrow.

#### **Ghafar Baba Rules Out Early General Elections**

*BK1212081588 Kuala Lumpur International Service in English 0600 GMT 12 Dec 88*

[Text] Deputy Prime Minister Mr Ghafar Baba says the government has no objection to the setting up of a body by lawyers and activists to protect human rights in the country. He points out that the government and the ruling Barisan Nasional [BN] coalition are aware of human rights and the security of the country.

Mr Ghafar was replying to questions by reporters in Melaka. Asked to comment on claims by certain groups that there had been abuse of power, Mr Ghafar said the government and BN had not abused power. He said if there is truth, they can show it. He also said the government likes to hear the views of the people regarding any problem.

Mr Ghafar Baba also ruled out early general elections. He said the present government has the mandate to rule until 1991.

On the country's economy, Mr Ghafar said the low rate of the Malaysian ringgit will improve the competitiveness of local products and enhance exports. In addition, more foreign investors will come to Malaysia. The deputy prime minister reiterated that foreign investors need not have fear in investing in this country as they will be protected by the Malaysian laws.

On bilateral trade relations with Arab states, Mr Ghafar said they were not up to expectations and efforts are being made to improve them.

### **Cambodia**

#### **Guidance on Genocidal Crimes Treaty Anniversary**

*BK0912085088 Phnom Penh Domestic Service in Cambodian 0430 GMT 8 Dec 88*

["Guidance of the Party Central Committee Secretariat on the 40th anniversary of the Convention for the Prevention and Condemnation of Genocidal Crimes 9 December 1948-9 December 1988"—date not given]

[Text] On 9 December 1948 the United Nations approved a convention for the prevention and condemnation of genocidal crimes. The crimes of genocide

defined in the convention are: all acts committed with the intention to totally or partly destroy any race or any religion.

During the 7th decade of this 20th century, the entire Cambodian people were victimized by the genocidal Pol Pot regime whose crimes were far more ferocious than the genocide committed by the Hitlerite fascists during World War II.

### **I. Objectives and Goals:**

1. To make our entire Cambodian people see even more clearly, recall, always remember, and maintain their hatred against race exterminators in the world in general and the genocidal Pol Pot-Ieng Sary clique in particular. To resolutely turn this hatred into concrete activities in the cause to resolutely struggle to eliminate the genocidal Pol Pot-Ieng Sary clique and absolutely oppose and prevent it from returning to renew its genocidal acts in Cambodia. At the same time, to hold aloft the spirit of solidarity and profound gratitude to the party, government, and people of Vietnam, particularly the Vietnamese army volunteers, who have made immense sacrifices for the cause of liberating the Cambodian nation from the genocidal Pol Pot regime.

2. To clearly display, expose, and condemn even more vigorously the genocidal Pol Pot-Ieng Sary clique and all the international reactionary forces which have continued to give all kinds of support and assistance to the genocidal Pol Pot-Ieng Sary clique and the other reactionary Khmers with an aim to revitalizing them and enabling them to commit new crimes in destroying the peaceful life of our Cambodian people.

3. To make the world public opinion realize even more clearly the danger of the genocidal Pol Pot-Ieng Sary clique's return to power in Cambodia and particularly appreciate the noble spirit of proletarian internationalism of the Vietnamese army volunteers who have saved the Cambodian people from this horrible danger; be well aware of the fact that the current Cambodian problem was caused by the genocidal regime and that to settle the Cambodian problem, it is imperative to prevent the revival of a genocidal regime in Cambodia; and clearly see our good will for a political solution to the Cambodian problem. This is in order to exploit to the utmost the world trend which opposes and denounces the genocidal regime, thus continuing to mobilize world sympathy and support for the PRK's national reconciliation policy and the cause of Cambodian people's correct and just struggle, and isolating the Pol Pot clique and the enemy's tripartite alliance even more seriously.

### **II. Forms and measures for organization and implementation:**

The Foreign Ministry must send a message to the United Nations before 9 December 1988 to display the people's desire and aspirations and request for a trial of the

genocidal Pol Pot-Ieng Sary in the International Tribunal. In addition to providing documents on the international race exterminators to the propaganda section, it should compile articles by the world public opinion exposing and condemning the genocidal Pol Pot-Ieng Sary clique, compose, and print them in Khmer, French, and English for local and foreign publication.

The Ministry of Information and Culture and the Phnom Penh Municipal People's Revolutionary Committee in cooperation with the Foreign Ministry must quickly contact friendly countries, particularly the Soviet Union, Vietnam, and Laos, for more documentary films on World War I and World War II to be publicized in addition to our films or that of the friendly socialist countries and of the Western world concerning the genocidal wars and the genocidal crimes of the Pol Pot-Ieng Sary clique. A film week should be organized in Phnom Penh and a number of provinces from 9 to 15 December 1988.

On the above-mentioned occasion, the mass organizations—fronts, trade unions, youth associations, and women's associations—and all other organizations which have their branches in the international organizations must send petitions condemning the Pol Pot clique to the international organizations which are their allies.

1. Welcome the 40th anniversary of the Convention for Prevention and Condemnation of the Genocidal Crimes 9 December 1948-9 December 1988;
2. Pledge to fully support all efforts to prevent the recurrence of the genocidal Pol Pot-Ieng Sary regime;
3. The genocidal Pol Pot-Ieng Sary clique must be tried before the International Tribunal;
4. Pay homage to the souls of those who died for the cause of eliminating the genocidal regime;
5. Resolutely pledge to thwart and eliminate the genocidal Pol Pot-Ieng Sary regime; and
6. Long live socialism and world peace.

### **Hun Sen Praises Radio Achievements in Speech** *BK1112130188 Phnom Penh Domestic Service in Cambodian 1300 GMT 10 Dec 88*

[Text] On the morning of 10 December, at the office of the Voice of the Kampuchean People [VOKP] radio, a meeting was solemnly held to sum up the emulation results of the Radio Directorate in the past 10 years.

Among the presidium honoring the meeting were Comrade Hun Sen, member of the Political Bureau of the party Central Committee, chairman of the Council of Ministers, and foreign minister; Comrade Ney Pena, member of the Political Bureau of the party Central Committee and chairman of the party Central Committee's Propaganda and Education Commission; Comrade Kim Yin, member of the party Central Committee and director general of the VOKP; and Comrade Un Dara, permanent deputy director of the Central Committee's

Proselytizing Commission. Also honoring the meeting with their presence were national and foreign guests and about 300 cadres, personnel, and workers under the Radio Directorate.

On this occasion, after Comrade Kim Yin read a speech opening the meeting, VOKP Deputy Director Comrade Van Seng-li read a report pointing out that in the past 10 years, Cambodian radio and television have achieved great results in every aspect of propaganda worthy of being a propaganda tool of the party and state and a means serving the people's spirit. The radio currently broadcasts on average 10 hours daily, including various types of articles such as editorials, commentaries, features, reports, interviews, and many other features fulfilling their propaganda task in accordance with their specialty. Foreign broadcasting is carried out in five languages: English, French, Vietnamese, Lao, and Thai. Traditional and modern artistic programs have also developed. Propaganda through television is currently done seven times a week in color.

Through the emulation movement of the past 10 years, the Council of Ministers awarded the following honors to outstanding workers: Labor Medals to the local service, the technical service, and 13 individuals; citation certificates to 3 units and 59 comrades; and citation letters to 2 units and 77 individuals. The Council of Ministers also conferred Friendship Honors on 10 comrade Vietnamese experts. The meeting also handed over the Victory Banner of the VOKP Directorate to the local service, citation certificates to 5 units and 72 individuals, and citation letters to 2 units and 77 individuals.

Talking to members of the meeting, Comrade Hun Sen said:

[Begin Hun Sen recording] Today I am very happy to attend the meeting to sum up the emulation results in the past 10 years of the VOKP Directorate which is carrying out its task with lofty revolutionary pride. This meeting is held at a time when our country's revolution is reaching a historical stage on the path to victory with our own revolutionary forces gradually assuming the tasks of defending the motherland, revolutionary gains, and our new regime, and at a time when our people throughout the country are actively emulating to produce results to welcome the 10th anniversary of the 7 January great victory day, which will be celebrated shortly.

On behalf of the party and government, and in my own name, I would like to highly value the great achievements scored by the VOKP in the revolutionary stage of the past 10 years under the correct and clear-sighted leadership of the KPRP. [applause] I would like to sincerely praise the efforts of radio and television cadres, personnel, and workers who have braved all difficulties and obstacles and fulfilled the political tasks set by our party and state. At the same time, I would also like to

highly value the cooperation among municipal and provincial services and all localities which have made important contribution to the cause our radio broadcast as well as other press organizations.

The meeting is held at precious occasion to review all the tasks the VOKP Directorate has implemented in the past 10 years and its propaganda experience in the past 10 years. This is one part of the road which has been tried and tested and along which we should follow to successfully achieve targets in the coming years. This reflects the use of the self-determination right of the radio unit in particular, and the right to be masters of our people throughout the country, in general. All of us have fought for these rights with great sacrifice in flesh and blood of a great number of our people.

Dear comrades and friends: The role and duty of our radio and television are to act as messengers to serve society's intellectual life. Without news and dissemination of information, we cannot talk about the intellectual and spiritual growth of society and individuals because radio and television are schools and a source of education to promote public opinion as well as promoting and setting up movements among the masses. Radio and television are a tribune for the masses to express their political, economic, cultural, and social views. For this reason, the birth of the VOKP on 3 December 1978 has a most profound significance. The first broadcast of this radio created profound sentiments among national and international public opinions and also promoted a vigorous movement to topple the genocidal Pol Pot regime 10 years ago.

I would like to take this opportunity to praise and highly value elder brothers and all the comrades, the first artists, for laying down the first brick for the VOKP broadcast. I would like to praise the precious and effective assistance of all the comrade Vietnamese specialists who made the first broadcast successful. [applause]

Through the clear realization of the above role and duty and constantly adhering to a patriotic spirit and a spirit of lofty international solidarity, cadres, personnel, and workers of the VOKP Directorate have been instrumental in bringing successive victories to their unit in the field of propaganda, organization, and administration. The great 7 January 1979 victory and every achievement recorded by the Cambodian revolution in the task of defending, restoring, and rebuilding the motherland in the past 10 years cannot be separated from the precious contribution of Cambodian radio and television. Every political line, party decision, and state law has been disseminated and implemented. This was done through the broadcasts of our Cambodian radio and television which have used every form of propaganda.

Although in the current situation and circumstances, the progress of our radio and television has not yet fully met the needs of listeners and viewers, all the comrades have already passed the difficult part of the road. For this, we



should be very proud. The comrades' revolutionary pride is linked to revolutionary optimism because the Cambodian revolution is currently in a position of strength and victory and an offensive position determined to score successes on every front. The comrades have been tirelessly carrying out propaganda work and have fulfilled their appropriate task as combatants on the battlefield of sentiments and have done their best to serve our people's just and correct cause to struggle as well as serving the cause of world peace. This is proof of the spirit of lofty sacrifice with the firm belief in the KPRP's correct leadership.

Dear comrades and friends, the achievements of Cambodian radio and television of the past 10 years, like those of our national propaganda network, have provided us understanding and many experiences. However, the important thing is how we should continue our task to overcome a number of shortcomings and difficulties to respond to the party's requirements and to serve our people's needs. The material basis of radio and television, like our national propaganda network, is not yet sufficient. The material basis was weak. Furthermore, a lot of it was destroyed by the genocidal Pol Pot regime. Speaking about the destruction, as those with a professional knowledge of propaganda, it makes us even more angry with this genocidal regime which has turned Cambodian society upside down and has pulled the Cambodian motherland many decades back. This has caused many problems in our new society which has an historic role and duty to restore and rebuild a new life in response to our KPRP's requirements and goals.

Although we are proud of the results, which are the fruits of our efforts in the past 10 years, compared to the requirements in the new phase of our Cambodian revolution, we should further expand and strengthen revolutionary gains by overcoming and braving all obstacles created by subjective factors to respond to increasing requirements. Radio and television propaganda should further attract the attention of listeners and viewers in and outside the country. Sincerity and objectivity require that we double our efforts to contribute to effect changes in the thinking and responsibility of cadres, party member, and party and state institutions toward the policies of our party and state. This is to ensure the right to be masters and the interests of the people and move toward assuming ourselves the tasks of defending and building our beloved motherland. Otherwise, if our propaganda network dares not speak sincerely and truthfully about difficulties, shortcomings, or mistakes, bad consequences will result and will have a negative influence and will also be dangerous to our revolution.

To achieve the above goals, all the comrades and friends, who are combatants on the fields of sentiments, should firmly grasp the goals of the Cambodian revolution set forth by the party's fifth congress and at the same time use to the maximum their intellectual abilities to contribute with the entire party, Armed Forces, and people to

striving to reach these goals. Our people and revolutionary Armed Forces are fighting and pushing our revolution to move firmly forward in a position of strength and victory in every field. As for the enemies, they not only were dealt repeated political setbacks but are disintegrating militarily and their fighting spirit is low. This situation has greatly influenced the international arena and enabled us to have even more advantages on the diplomatic front. Together with Vietnam, Laos, the Soviet Union, and peace- and justice-loving forces the world over, we have become a combined strength forcing the enemies of the Cambodian revolution to recognize this truth and turn to the negotiating table to solve the peace issue in Cambodia as well as the issues of peace, stability, and cooperation in Southeast Asia.

Although our revolution has passed from the stage of fighting militarily to one in which we fight and negotiate at the same time, reactionary ringleaders and their masters stubbornly refuse to give up their ambition to topple the PRK. Furthermore, they try to find every perfidious maneuvers to return the genocidal Pol Pot regime to Cambodia to massacre the Cambodian people again. This runs counter to national and international opinion which are vehemently denouncing and demanding that the genocidal clique be eliminated from a political solution to the Cambodian problem.

It is evident that the PRK's new political lines respond to our people's persistent aspirations and are appropriate to the era's trend which is moving toward detente and the search for solutions to every conflict peacefully. Through our national reconciliation policy and the seven-point proposal for a political solution to the Cambodian problem, world public opinion clearly realizes our goodwill and the PRK's important role in any political solution. This has increased the PRK's prestige in the international arena. Although the three meetings between us and Samdech Sihanouk, the first Hun Sen-Sihanouk-Son Sann tripartite summit meeting, and the informal meeting in Jakarta have broken the political and psychological deadlock of the Cambodian problem and reduced tension, which have dragged on for many years, and although concerned parties are getting closer to one another in their basic views, there are still many difficult and complex problems on which no agreement has been reached or any concrete measures been taken to move toward a genuine solution acceptable to all parties.

To this day, unfriendly forces opposing the PRK, particularly the Pol Pot clique, remain the source of danger to our people's new life. Therefore, for an eventual political solution to the Cambodian problem to genuinely materialize, first of all the Cambodian people's vital interests should be taken into account along with the Cambodian people's basic right to live in peace without pressure or threat from anyone or from any country, and in particular the return of the genocidal Pol Pot regime in Cambodia should be absolutely prevented.



Dear comrades and friends, with or without a political solution, we should be very clear that the determining factor for the final victory of our Cambodian revolutionary struggle lies on our real revolutionary forces. The Cambodia-Vietnam-Laos solidarity and the solidarity with the Soviet Union and socialist countries the world over are the vital factors ensuring our Cambodian revolution's existence. These real revolutionary forces should continue to be vigorously strengthened and their quantity and quality ensured. They should be strong to firmly assume revolutionary tasks in every circumstance because our struggle against the enemies is still tense, complex, and most resolute. Enemy maneuvers are still perfidious and tricky in destroying our people's rebirth. In particular, the enemies still dream of taking over villages and communes to set up support bases for their forces to wage an aggressive war to topple us.

Faced with this situation, none of us should be satisfied with what we have achieved during these past 10 years and let ourselves become negligent and idle in our security. We should strive to constantly move forward. All of us should strive to use to the maximum and effectively the combined forces and use to the maximum every possibility and appropriate opportunity to win new victories. As combatants on the battlefield of sentiments, we should have concrete action plans in our task aimed at promoting mass movements, expanding and strengthening the role of the people, cadres, and Armed Forces to be masters and their responsibility in building and defending the Cambodian motherland under the KPRP's clear-sighted leadership. We should strive to use all of our physical, intellectual, and professional ability to assist in building and strengthening localities in every field. [Words indistinct] awakening spirit of the people in achieving more good results in accordance with the direction set by the party and state. We should also pay attention to assisting localities with experiences and progressive examples in fighting the enemies and in building localities. We should increase the firm confidence of the people and masses in the revolution. We should effect changes in localities so that they become strong through real revolutionary forces aimed at successively thwarting every enemy perfidious maneuvers.

On top of this, we should hold aloft the banner of genuine patriotism and the spirit of international solidarity to strive to implement resolutions of the fifth, sixth, and seventh sessions of the party Central Committee and contribute to successfully carrying out the strategic tasks and the three revolutionary goals set out by the party's fifth congress. In particular, we should increase combined activities to effect real changes in the following three key tasks:

1. Build and strengthen localities so that they are really strong and solid in every situation and circumstance. Every level and service should concentrate on localities. Use localities as the foundation of the revolutionary movement.

2. Genuinely build and strengthen the Armed Forces to become an instrument of the party, absolutely loyal to the party and closely linked to the people. The Armed Forces should possess a resolute fighting spirit to defend the people, revolutionary state authorities, and the new regime.

3. Vigorously promote revolutionary work on political and ideological education among cadres, party members, combatants, and people in the new situation aimed at heightening the spirit of fully assuming every revolutionary task as the real masters through the spirit of daring to think, to do, and to accept responsibility, to firmly safeguard and continue to expand the already achieved revolutionary results. We should constantly inculcate hatred of the genocidal Pol Pot clique and enemies of all stripes among our cadres, party members, combatants, and people.

To this end, I would like to call on the comrades, who are combatants on the battlefield of sentiments, to continue to promote in their propaganda work the spirit of vigilance to heighten the fighting spirit. The task of building real revolutionary forces should be continued. In particular, villages and localities should be consolidated and armed forces built, especially the regional forces and militia force. We should further expand the situation of being masters and fight the enemies through every form. Continue to appeal to misled persons to return to live with the people. Along with this, propaganda should be conducted to vigorously promote production and circulation of goods and products. Attention should be paid to improving the people's living standards. Avoid and take measures to eliminate all inappropriate acts toward the people. If we can do this, revolutionary forces will become stronger with every passing day and the enemies will be further weakened and moving toward complete defeat. And this will constitute the most active contribution to the diplomatic struggle to advance toward an equitable, just, and correct political solution to the Cambodian problem.

Finally, I would like to again express appreciation for the brilliant emulation results of Cambodian radio and television scored in the 10 years of their work. I wish the presidium, guests of honor, and comrades cadres, personnel, and workers of the Cambodian radio and television directorate vigorous health and bright spirit to win new victories. [applause] [end Hun Sen recording]

The meeting was closed in a happy atmosphere and scored brilliant results.

**Chea Soth Addresses Emulation Meeting**  
*BK1312085788 Phnom Penh Domestic Service*  
*in Cambodian 0430 GMT 12 Dec 88*

[Text] This morning at the Basak Conference Hall, the conference of the Central Emulation and Award Council to sum up 10 years' achievements of emulation movement throughout the country was solemnly held under

the chairmanship of Comrades Chea Soth, Political Bureau member of the KPRP Central Committee, vice chairman of the Council of Ministers, and chairman of the Central Emulation and Award Council; Nguon Nhel, alternate Political Bureau member of the party Central Committee and secretary of the Phnom Penh Municipal Party Committee; Tie Banh, alternate member of the party Central Committee, vice chairman of the Council of Ministers, and minister of national defense; Mean Sam-Am, member of the party Central Committee and chairman of the Kampuchean Revolutionary Women's Association; Sam Sundoeun, member of the party Central Committee and first secretary of the Kampuchean People's Revolutionary Youth Union; Men Chhan, member of the Council of State and permanent vice chairman of the KUFNCD National Council; Say Siphon, alternate member of the party Central Committee and vice chairman of the KFTU; Venerable (Chhun Chim), representative of outstanding bonzes; (Heng Taikry), representative of prominent intellectuals; (Chheng Ea), representative of outstanding women; (Hang Heng), representative of outstanding farmers; (Ut Kimleng), representative of excellent units of the People's Police Forces; (Long Phav), representative of the outstanding workers; and (Neou Soas), representative of outstanding ethnic groups.

The meeting was also honored by the presence of leading cadres of state institutions, central offices, municipalities, and provinces; and several representatives of outstanding units and individuals throughout the country.

After the national anthem and paying respect to the souls of ancestors who have sacrificed their life for the causes of the revolution and the motherland, Comrade Chea Soth made the following address to the meeting:

[Begin Chea Soth recording] Greetings to respected clergy, the presidium, and the comrades members of the congress: It is a solemn day filled with honor and joy that the Council of Ministers is holding a meeting to sum up the 10 years' achievements of emulation movement right at a time when the entire party, Armed Forces, and people are energetically conducting the emulation movement in order to create feats to welcome the 10th anniversary of the 7 January National Day and to completely achieve the three revolutionary objectives and the goal of restoring and expanding the 1986-90 Economic and Social Development Plan defined by the fifth party congress.

On behalf of the party and the government, and in my own name, I would like to warmly welcome the leading cadres of provincial and municipal services and the representatives of outstanding units and individuals throughout the country who have honored the meeting with their presence. [applause]

The esteemed presidium and dear congress, during the past 10 years, the Cambodian revolution has scored with pride successes in all fields. In particular, lately, we have

gained a diplomatic victory which has vigorously promoted the PRK's image in international forums and isolated the Khmer Rouge who are coming under sweeping international condemnation. The overall successes come from the correct leadership of the KPRP, the wholehearted assistance of friendly socialist countries, particularly Vietnam and the Soviet Union, as well as the high patriotic spirit of our cadres, staff, workers, and people who have zealously devoted all their efforts, morally and physically, to overcome the diverse difficulties remaining from the genocidal regime. Great achievements scored throughout the country are the result of our drive during the past 10 years. Those feats are remarkably significant compared with what happened in the Pol Pot-Ieng Sary-Khieu Samphan genocidal regime. This is the concrete evidence that no one can deny or distort its reality.

Respected presidium and dear congress members. All of you present at the congress are outstanding members, who were selected at the emulating meeting, representing model outstanding units, workers, and combatants throughout the country. However, considering the wish of the people in the national defense and construction tasks aimed at achieving the party's three strategic objectives and the PRK's four mottos, namely independence, peace, freedom, and happiness, our past successes are still inadequate. That being the case, we should strive more vigorously and not be satisfied with what we have achieved and shrink back from overcoming difficulties which delays our country's planned developments.

Along with the national reconciliation policy put forth by our party and state in line with the current peace tendency that seeks to eliminate wars in the world constituting an encouragement to our revolution, the Armed Forces, people, cadres, workers, and staff throughout the country should concentrate their efforts to expand and strengthen their strong and winning position both on frontline battlefields and in the rear as well as in international arenas in order to be self-reliant in national defense and construction tasks and capable of assuming all kinds of duties in the wake of the Vietnamese volunteer troops' repatriation.

In this situation, we should have steadfast and sufficient strength to fight the enemies, causing them to suffer more bitter setbacks both in political and military fields. We should try to play down the enemies' influence in international political arenas and try to demoralize their troops until they are a complete failure.

In the economic and social fields, we should make all-out efforts to overcome all kinds of difficulties for progressive development and improvement. If economic and social management is correctly carried out in accordance with our geographical reality and national tradition, it will certainly bring about dignity and glory to our party and state's leading policy.

Esteemed presidium and dear congress, at today's meeting, the units and individuals, who have been outstanding with their multiform works, will give an account of their excellent experiences, guides, and brilliant feats gained from the fulfillment of their duties. So, I would like to urge all of you to concentrate your attention on drawing out the precious experiences for concrete application to your individual tasks and for dissemination among the people living around you in order to further achieve successes as required by the party, state, and people.

On behalf of the party Central Committee and the government, I would like to declare open the congress as of this moment. [end Chea Soth recording] [applause]

The congress commenced its work in an atmosphere of cheerfulness. All the male and female members attentively listened to reports summing up achievements of patriotic emulation work in national defense and construction movements during the past 10 years, read by Comrade Ung Phan, minister of communications, transport, and posts, and vice chairman of the Central Emulation and Award Council, highlighting the conspicuous multifaceted feats impressively achieved by all the nationwide units and individuals advancing toward new greater successes. This is to become fully independent in the task of defending the country and the revolutionary gains made over the past 10 years.

**VODK Comments on SRV Troop Pullout Claim**  
*BK1312061588 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 12 Dec 88*

[Station commentary: "If the Vietnamese Enemy Really Withdrew Its 50,000 Troops From Cambodia, What Would the Situation on the Cambodian Battlefield Be Like?"]

[Text] The Hanoi Vietnamese enemy aggressors have kept announcing that they would withdraw their 50,000 troops from Cambodia by the end of 1988. They even dared to describe the names of a number of divisions stationed along the western border of Cambodia as among those units to be withdrawn.

Can one believe in this Vietnamese announcement? To answer this question, we must examine whether Vietnam has already agreed to release Cambodia and to abandon its Indochinese federation strategy.

There is no need to talk about the realities in Cambodia where Vietnam is busily implementing its Vietnamization policy, masquerading their troops as puppet soldiers, introducing Vietnamese administrative agents into the puppet administration, and naturalizing the over 1 million Vietnamese settlers in Cambodia into Cambodians. Only by looking at their attitude at talks to

settle the Cambodian problem and their successive announcements, can we see it clearly that the Vietnamese will not set Cambodia free nor abandon their Indochinese federation strategy.

For example, the Hanoi authorities hold that they will withdraw their aggressor troops from Cambodia only after the world community stops giving aid to the Cambodian patriotic resistance forces, that is until the hands and legs of the resistance forces are tied, thus enabling the Vietnamese to smash them and continue to occupy Cambodia through their puppets.

Now, let us take a look at the puppet regime installed by Vietnam. Will it be able to survive without the Vietnamese support and protection? The whole world knows well that even with the use of hundreds of thousands of troops and administrative personnel, Vietnam still cannot control Cambodia. Over the past several years, Vietnam has suffered even more seriously on the Cambodian battlefield. Its plan to seal off the border has failed. Its plan in pitting the Cambodians against their fellow Cambodians and its K-5 plan in recruiting Cambodian people to clear bushes and build border fences have all failed. Its strategy of supplying its war on the spot has also failed. Moreover, the Vietnamese aggressor troops have become increasingly demoralized and war weary. Many have deserted their ranks and the battlefields. This is a far different situation than that during the beginning of 1979 when the Vietnamese began to invade Cambodia. At the same time, the fight on the battlefields throughout Cambodia, both inside the country and along the border, has become more tense and fierce.

In the interior of Cambodia, larger numbers of Cambodians, including the fraternal Cambodian soldiers and administrators who have been forced to serve the Vietnamese, have joined hands with the DK National Army in the attacks to disperse and dismantle the Vietnamese enemy's village and commune administrative networks everywhere. This has dispersed and shattered the Vietnam-installed administrative networks in general.

Along the border, during last rainy season, the Vietnamese enemy lost hundreds of positions, particularly on Pailin, Peam Ta, Samlot, Sisophon south of Route 5, and Choam Khsan-Preah Vihear battlefields. Its transportation routes for bringing supplies to the border battlefields have been cut off into pieces, particularly Route 10—the strategic lifeline of Pailin battlefield—which has been cut off and the Vietnamese enemy has not been able to use it since May 1988. The Vietnamese commanders of 330th and 309th Divisions on Pailin, Peam Ta, and Samlot battlefields have been unable to solve this situation. Many Vietnamese soldiers were killed or wounded and many others have deserted their ranks. The Cambodian soldiers who were sent out by the Vietnamese authorities as reinforcements have also become demoralized and deserted the battlefield. The Cambodian Army's 92th and 93th Divisions on Peam Ta and Samlot



battlefields have also fallen apart and almost all members of the 196th and 179th Divisions on Pailin battlefield have deserted their ranks. In November 1988, the Vietnamese enemy moved those troops from the 339th in Siem Reap, the 309th Division in Preah Vihear, and 2d Division in Stung Treng to help the 330th and 309th Division defend the border line from Peam Ta to Samlot and Pailin.

This shows that the struggle on the Cambodian battlefield is going on tensely and fiercely everywhere. The Vietnamese enemy is in short of manpower, thus it has to keep moving forces from one battlefield to another. In such a situation, if the Vietnamese enemy really withdrew 50,000 troops from Cambodia, including those divisions which are engaged in the fight in the western region and along the border area, what would the situation on the entire Cambodian battlefield be like? Certainly, this fighting which is going on tensely just like a tug-of-war will tend to one side, that is the Vietnamese enemy would have been defeated right away. Such a calculation is very clear. Even a child who used to play a tug-of-war can certainly understand this calculation very well.

Through this reality, one can see clearly that the Vietnamese enemy has not withdrawn even a single truckload of troops. On the contrary, it has sent more troops to Cambodia to redress its defeating situation on the battlefield so that it can carry on its Vietnamization policy in Cambodia for another period of time in an attempt to realize its Indochinese federation strategy.

Therefore, its announcement on withdrawal of 50,000 troops is merely a stark lie.

**Khieu Samphan Condoles Death of PRC's Ulanhu**  
*BK1312013688 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 12 Dec 88*

[“Text” of condolence message from Khieu Samphan, Democratic Kampuchean vice president for foreign affairs, to PRC Foreign Minister Qian Qichen —dated 9 December]

[Text] To His Excellency Qian Qichen, foreign minister of the PRC, Beijing.

Your excellency:

We have learned with deep sorrow that His Excellency Ulanhu, vice chairman of the Standing Committee of the Seventh National People's Congress, passed away on 8 December 1988.

On behalf of the Cambodian people, the CGDK, and myself, I would like to express most profound sympathy to and join in mourning with the Chinese people, the PRC, and the family of His Excellency Ulanhu.

His Excellency Ulanhu was a splendid friend of our Cambodian people. He had unswervingly supported our Cambodian people's struggle for national liberation, as have all other PRC leaders. We would like to express most profound gratitude for this.

Please, excellency, accept my highest regards.

[Dated] 9 December 1988

[Signed] Khieu Samphan, vice president of Democratic Kampuchea in charge of foreign affairs

### Indonesia

**Alatas Leaves To Attend Geneva UN Meeting**  
*BK1212045988 Jakarta ANTARA in English 0439 GMT 12 Dec 88*

[Text] Jakarta, Dec. 12 (OANA-ANTARA)—Indonesian Foreign Minister Ali Alatas set off for Geneva on Sunday [11 December] to attend a UN General Assembly on December 13-15, during which a special discussion will be held to settle the Palestinian problem.

The presence of Minister Ali Alatas is showing Indonesia's consistency in its stance and support as well as solidarity to the struggle of the Palestinian people which is at present reaching its crucial stage, the Foreign Affairs Ministry said Saturday.

It is also in line with the appeal of the chairmen of the Islamic Conference Organization [ICO] and the Non-aligned Movement.

The chairmen of the ICO and the Nonaligned Movement have called on their member countries to send the highest possible officials to the UN General Assembly.

While in Geneva, Minister Ali Alatas will also conduct talks with a number of foreign ministers from friendly countries such as the Yugoslav foreign minister, with whom he will discuss preparations for the ninth Non-aligned Movement summit meeting in Beograd in September next year.

On return, he will stop over in Bangkok for talks with Foreign Minister Sitthi Sawetsila on preparations for the second Jakarta Informal Meeting.

He will then leave for Kuala Lumpur to give a speech to a dialogue meeting between Indonesian and Malaysian youths, which is to be jointly held by the youth and sports ministers of the two countries.

He is expected to be home on December 17.



**Alatas Visit to Australia Said Possible**  
*BK1312100288 Jakarta ANTARA in English*  
0903 GMT 13 Dec 88

Jakarta, Dec 13 (OANA-ANTARA)—The outgoing Australian ambassador to Indonesia, Bill Morrison, disclosed here Tuesday that Indonesian Foreign Minister Ali Alatas may visit Australia early next year.

If the visit is materialized, it will be the first visit by an Indonesian foreign minister since December 1985, and the second visit by an Indonesian minister to the southern continent since the difficult period after 1986, when an Australian newspaper published an article considered insulting to the Indonesian president.

Speaking at his farewell press conference here, the Australian envoy further said that in December 1985 the then Indonesian foreign minister, Mokhtar Kusumaatmaja, visited Australia.

Bill Morrison at the time considered Prof Mokhtar successful in impressing the Australian press.

Mokhtar's visit at that time was the first ever done by an Indonesian foreign minister in the past ten years.

The visit was followed by a series of visits by a number of Australian politicians to Indonesia, including the then Foreign Minister Bill Hayden and Australian Minister of Defence Kim Beazley, he said.

"And now we are looking forward to see President Suharto to pay a visit to Australia," he added. [sentence as received]

Ambassador Morrison said that at that time Australia warmly welcomed the planned visit by President Suharto to Australia by the end of 1986.

"But then an unexpected incident emerged," he said referring to an article by David Jenkins in the SYDNEY MORNING HERALD in April 1986.

Bill Morrison, who has been accredited in Jakarta since May 15, 1985, is to be succeeded by Philip Flood, a senior diplomat of the Australian Department of External Affairs and Trade.

**'Potential Danger', Regional Cooperation Viewed**  
*BK1212142488 Hong Kong AFP in English 1345 GMT*  
12 Dec 88

[Text] Jakarta, Dec 12 (AFP)—Indonesia faces no major external threat in the next five years but sees future potential danger coming from the north, Air Marshall Teddy Rusdy said here Monday.

Marshall Rusdy, adviser to Armed Forces chief General Try Sutrisno, told a press briefing that the Indonesian military believed the government could spend more money on the people's welfare over the next five years.

"We cannot anticipate any major threat from outside. We are confident that the government should spend more money for the prosperity of the people," he said, apparently ruling out the possibility of any increase in defence spending.

Indonesia currently spends between seven and eight percent of its national budget on defence, an average of 1.2 billion U.S. dollars over the past few years.

In reply to a question, Marshall Rusdy said "like Australia, Indonesia believes that a potential threat could come from the north."

He named no country, but observers here took his remarks to refer to China.

Indonesia froze diplomatic relations with China in 1967, accusing Beijing of involvement in an abortive communist coup in 1965.

Marshall Rusdy said Canberra's concentration of its Air Force bases in northern Australia was "more of a nuisance than a real threat to Indonesia."

Asked about possible military alliances between member states of the Association of Southeast Asian Nations (ASEAN), he said Indonesia's Armed Forces did not and would not rely on external alliances.

He rejected any possibility of military alliances between ASEAN members. Indonesia, however, would continue its policy of bilateral military cooperation in the region, he said, citing accords with Malaysia on combating communist elements along their border in Kalimantan.

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

**Military Official on Aircraft Purchases, Budget**  
*BK1212141288 Hong Kong AFP in English 1354 GMT*  
12 Dec 88

[Text] Jakarta, Dec 12 (AFP)—Indonesia is currently holding discussions with British Aerospace and the European Panavia consortium on buying either the Hawk 200 or Tornado jet fighter, Air Marshall Teddy Rusdy said here Monday.

Marshall Rusdy confirmed that Indonesia had ordered 12 U.S.-made F-16 fighters, the first to be delivered in October 1989, and was also considering replacing its aging A-4 Skyhawk ground attack aircraft.

The marshal, adviser to Armed Forces chief General Try Sutrisno, mentioned Britain's Hawk 200, Panavia's Tornado or a modified version of General Dynamics' F-16.

Indonesia already has 15 Hawk aircraft of the Hawk 50 model.

"We will need two squadrons of specialised ground attack aircraft," Marshall Rusdy told a press briefing at Armed Forces Headquarters.

Indonesia bought its A-4's from Panama after they saw service in Israel and currently 20 are operational. Military experts here said the aircraft, dating from the 1960's, could not be flown after 1995.

A squadron in Indonesia usually comprises 14-16 aircraft.

Replying to a question, Marshall Rusdy said the Armed Forces' budget was not more than that officially published—one billion U.S. dollars to cover fixed operating costs and another 200 million dollars in the form of export credits.

Defence spending takes between seven and eight percent of Indonesia's national budget.

Marshall Rusdy said Indonesia's Armed Forces currently comprised 200,000 men in the Army, 200,000 in the Police, 60,000 in the Navy and 40,000 in the Air Force.

"That is really very small if you bear in mind that we have to defend a territory spread over 5,000 kilometres (3,000 miles) comprising some 17,000 islands with a population of some 170 million people," Marshall Rusdy said.

## Philippines

**Commission To Study Alternative Uses of Bases**  
*HK1312025188 Manila Far East Broadcasting Company in English 2300 GMT 12 Dec 88*

[Text] The Senate approved, on third and final reading, a resolution creating a joint legislative-executive commission which will undertake and formulate a comprehensive study on the alternative uses of the U.S. military bases in Pampanga and Zambales. The commission will assist the government in formulating strategies and policies for the alternative utilization of the bases upon the withdrawal of the United States Armed Forces when the Military Bases Agreement expires on September 17, 1991. The author of the bill, Senator Alberto Romulo, said there is an urgency to put up a certain infrastructure and mechanisms to minimize the economic dislocation of the people living in the periphery of the bases, including its effects on the national economy [sentence as heard]. Romulo referred to the hundreds of thousands of Filipino workers and their families who are directly or

indirectly benefiting by the presence of the U.S. facilities and who will be (?adversely) affected by the expiration of the bases agreement. He said the economic benefits produced by the bases are quite varied and are (?reported) not only to the communities surrounding the bases but also to the country's national economy.

**DFA's Manuel Yan Returns From South Asia**  
*HK1312034988 Manila BUSINESS WORLD in English 13 Dec 88 p 12*

[Excerpt] Foreign Affairs Undersecretary Manuel Yan, back from a round of visits to India, Bangladesh and Pakistan to "(energize) relations with those countries," said his meetings with the respective foreign ministers of those countries involved "exploring ways and means of implementing existing trade, cultural, air and scientific agreements."

Mr. Yan attended the inauguration of Pakistani Premier Benazir Bhutto and extended to her President Aquino's congratulations. During his visit, Pakistan agreed to set up a joint business council to facilitate private sector interaction between the Philippines and the country.

The DFA [Department of Foreign Affairs] official also perceived increased opportunities for trade with India. Invitation

In Bangladesh, he delivered to President Hussain Mohammad Ershad Mrs. Aquino's invitation for a state visit. Mr. Yan said President Ershad "accepted the invitation in principle but did not name a date for when he would come."

Mr. Yan revealed he had briefed officials of these countries on the Philippine efforts towards resolving the Muslim secessionist issue. "They expressed support for the way we are handling the problem," he said.

As Islamic states, Pakistan's and Bangladesh's support could prove crucial for the Philippines at the Organization of Islamic Conference meet in three months.

India, with its racial variety, has continually experienced ethnic strife and would prove sympathetic to Philippine concerns on this matter at international fora. Illegal workers

Another Southern problem, this time involving the reported arrests of a thousand illegal transient Filipino workers in Sabah, was still to be verified, Mr. Yan said. However, he expressed the view that the Malaysian government was well within its rights to arrest illegal migrants. [passage omitted]

**Reports of Sabah Detentions Unconfirmed**  
*HK1312090988 Manila Radio Veritas in Tagalog*  
0700 GMT 13 Dec 88

[Text] Foreign Affairs Under Secretary Manuel Yan denied that the Malaysian Government's detention of 1,000 Filipino illegal aliens in Sabah was a form of political pressure. Rumors have circulated that Malaysia may be using the Filipino detainees issue to force the Philippine Government to renounce its claim over Sabah.

Yan also said that the Department of Foreign Affairs has yet to receive any confirmation on the reported detention of the 1,000 Filipinos.

**Aquino Promises Human Rights Committee**  
*HK1012024188 Manila Far East Broadcasting Company in English 2300 GMT 9 Dec 88*

[Text] President Aquino reiterated that reported cases of human rights violations and missing persons were contrary to the government policy and commitment to uphold human rights.

In a meeting of members of the Families of Victims of Involuntary Disappearances, or Find, the president said she would direct pertinent government agencies to help locate the alleged missing persons.

She told the group that she would create a committee to resolve such cases as reported by Find and other human rights groups on a continuing basis. The committee, she said, would be composed of Justice Secretary Sedfrey Ordonez, AFP [Armed Forces of the Philippines] Chief of Staff General Renato de Villa, Human Rights Commissioner Mary Concepcion Bautista and representatives from both Houses of Congress.

The president also approved a recommendation by Ordonez to commission officials and prosecutors who will coordinate with groups and individuals in the search for missing persons in their respective localities.

**Aquino Issues Directive**  
*HK1312100188 Manila Manila Broadcasting Company DZRH in Tagalog 0900 GMT 13 Dec 88*

[Text] Ric Pambuan reports from Malacanang:

[Begin recording] [Pambuan] The president released Memorandum Order No 209 directing all units of the Armed Forces of the Philippines, including the PC-INP, to strictly comply with the required legal processes in all cases of arrests and detentions.

[Benigno in English in progress] ...Number 13, Memorandum Order 209 directs all units of the Armed Forces of the Philippines and the Philippine Constabulary-Integrated National Police to strictly comply with required legal process in all cases of arrests and detentions. Here is the text:

All units of the Armed Forces of the Philippines and the Philippine Constabulary-Integrated National Police are hereby reminded and enjoined to strictly comply with the required legal processes in all cases of arrests and detentions, and to observe the constitutional mandate to respect people's rights in the performance of their duties. This memorandum order shall take effect immediately.

[Pambuan] That was Press Secretary Teodoro Benigno. [end recording]

**Task Force Formed for Missing Persons**  
*HK1312090588 Manila Radio Veritas in Tagalog*  
0700 GMT 13 Dec 88

[Text] Justice Secretary Sedfrey Ordonez ordered provincial prosecutors to lend assistance to families of missing persons. In his directive, Ordonez said prosecutors should designate a deputy to help families of missing persons believed abducted by the military.

Meanwhile, Ordonez also reported that President Aquino has formed an interagency task force to help look for *desparecidos* [missing persons].

**Aquino Lauds Multinationals in Cagayan de Oro**  
*HK1212132388 Quezon City Radyo ng Bayan in Tagalog 1200 GMT 12 Dec 88*

[Text] President Aquino announced that agrarian reform is the key to the distribution of the fruits of economic development to the majority of the people. She made this remark as she gave out land transfer certificates and emancipation patents to some 11,000 farmers. All in all, she distributed 6,000 hectares of land which had belonged to multinational companies.

At the same time, the president praised the management of (?Lotteries Farm and) Plantation Incorporated and the Del Monte Philippines Incorporated for meeting the challenge of the times. She also expressed hope that multinational companies will continue to help the Philippines realize its aspirations for its people.

President Aquino arrived in Cagayan de Oro City from Cotabato City where she distributed the land titles personally.

**Manglapus Party Denounces Loan Impositions**

HK1312031788 Manila PHILIPPINE DAILY  
GLOBE in English 13 Dec 88 p 2

[By Julius Fortuna]

[Text] The National Union of Christian Democrats [NUCD], headed by Foreign Affairs Secretary Raul S. Manglapus, has denounced the International Monetary Fund as a "notorious deprecator" and called for repudiation of "fraudulently incurred" external debt.

A 12-page internal paper on the national situation released by the NUCD reserved its strongest words against the IMF and the country's creditor banks.

The paper was discussed and affirmed in the recent NUCD-UMDP [expansion unknown] conference held at the Philippine College of Criminology, which had Manglapus as the guest speaker.

The Manglapus party charged that the "IMF and the creditor banks have imposed loan and restructuring conditions that make economic recovery impossible."

NUCD also criticized IMF policies like devaluation, heavy taxation, import liberalization, tax and credit incentives to foreign investment, repressive labor policy, government assumption of private debts that siphons off funds from needed social reforms and services.

"The country's foreign indebtedness has made a mockery of our national sovereignty and has put in jeopardy our national survival," the document said.

The Manglapus party proposed that the Philippine government should try to "disengage from loans proven to be unjustly and fraudulently incurred through negotiation, arbitration and litigation".

However, it said that in its dealings with the IMF and creditor banks, the Philippine government should be open to the total repudiation of the country's external debt.

Aside from Manglapus, those who signed the document were former Sen. Manuel Manahan, and Danilo Coronacion of the NUCD secretariat.

**Revenue Deficit Could Reach P18-Billion**

HK1212102388 Manila MANILA BULLETIN  
in English 11 Dec 88 p 25

[By Ernesto Tolentino]

[Text] The deficit in government revenues this year could hit P [pesos] 18 billion or P4 billion more than the amount projected recently by the finance department.

With the expected bigger "shortfalls" in tax and nontax incomes, actual government income by end-December could amount to only P112 billion.

The possibility of a bigger-than-expected shortfall in national revenue this year was recently raised in the Senate, currently deliberating on the proposed national budget for 1989.

This Senate projection was prompted by the conflicting estimates of this year's revenue insufficiency.

Sen. Ernesto Maceda noted that while President Aquino cited a P10 billion deficit in her 1000th day commemorative speech last Nov. 21, the finance department however gave an estimate of P14 billion in a report the next day. Then, on December 2, the National Treasurer placed the projected deficit at P15.5 billion.

In view of these conflicting deficit projections, Maceda said that "it is, therefore, reasonable to expect that the (final) figure may go up to as much as P18 billion" by end-December this year.

Based on this projection, Maceda expressed doubts on the government's ability to reach its revenue target of P146.9 billion for 1989. This income target, he noted, "will mean that there should be an improvement of P35 billion" or 30 percent over this year's performance in revenue collections.

The Legislative Budget Research and Monitoring Office estimated that the government revenues for 1989 would only reach P134 billion or P12.9 billion less than the government's target.

In his recent speech sponsoring the proposed budget bill for 1989, Sen. Neptali A. Gonzales noted that the projected huge deficit in government revenues this year will be mainly brought about by the shortfalls in the revenue collections of both the bureau of internal revenue (BIR) and customs bureau. Nontax collections are also expected to be short of set goals.

The BIR traced its collections deficit to the poor performance of its provincial units and the "structural weaknesses" that continued to bug the newly implemented value added tax (VAT) scheme. The customs bureau blamed its poor performance on the reduced prices of imported products, like crude oil, and the downward restructuring in tariff rates.

Gonzales said that rampant smuggling activities may have contributed largely to the "take" of the customs bureau, while Maceda blamed the BIR's failure in hitting its target "tax-take" to "anomalies in BIR refunds".



**Break in IMF Talks Causes Delay in Loans**

HK1312045788 Baguio City Mountain Province  
Broadcasting Company in English 0330 GMT  
13 Dec 88

[Text] The country's holdings of foreign exchange, special drawing rights, and gold and foreign investments are expected to stay at about \$1.65 billion by year-end or below the targeted level of \$2.1 billion because of the anticipated delay in foreign loan disbursements, a Central Bank official said.

The delay is an offshoot of the failure of the Philippine Government to finalize a new financing agreement with the IMF. So far, the official added that the Japanese Export-Import Bank has not released the \$150 million loan earmarked for the gas turbine power project of the government. Other loans which might not be disbursed on schedule by year-end are the \$150 million economic recovery loan from the World Bank and the Japan Export-Import Bank.

The official said the delay in loan disbursement was one of the immediate impacts of the government's failure to finalize a new program with the IMF. Earlier, senior Central Bank officials said that talks for fresh loans with official creditors collectively known as the Paris Club and the commercial foreign banks have been stalled also following the collapse of the Philippines-IMF negotiations which started last October 4.

The government wants to restructure its official loans amounting to \$1.7 billion to the next 2 years to ease the country's debt burden and to cope with the anticipated slowdown in inflow of new loans from foreign commercial sources, according to a Central Bank official. This is the biggest restructuring negotiations with the official creditors known as the Paris Club.

Earlier, Central Bank Governor Jose B. Fernandez said the Paris Club restructuring agreement will only cover about \$650 million this year. However, the government decided to increase the coverage of the rescheduling negotiations to the next 2 years as foreign banks appeared to be reluctant to lend the Philippine Government the full amount of \$1.8 billion in new loans from banks it earlier wanted to borrow.

Finance Secretary Vicente Jayme earlier said that while there was no question that the Philippines would get new money from official and commercial sources, we do not know how much they are willing to lend us.

Of the \$3.1 billion in new loans supposed to be borrowed, the \$1.8 billion will come from commercial banks while \$1.3 will come from official sources like the International Monetary Fund and other multilateral and bilateral financial institutions.

**Millers Assure Public of Flour Supply**

HK1212102188 QUEZON CITY MALAYA in English  
11 Dec 88 p 9

[Text] The Philippine Association of Flour Millers (Pafmil) yesterday assured the public there will be sufficient flour during the holiday season even as it devised a distribution system to prevent hoarders from creating an artificial shortage of the commodity.

Felix K. Maramba Jr., Pafmil president, said the flour millers have decided to sell directly to small bakers to protect them from traders who overprice the merchandise when there is an increase in demand like the Christmas season.

Small bakery owners, however, can only avail of 30 bags of flour per week.

The millers' decision was precipitated by a Senate investigation which revealed that a traders' cartel is hoarding the commodity in anticipation of a price increase in flour by January. This has resulted in artificial shortage and overpricing.

Maramba said the country's eight flour millers have assured President Aquino that they will freeze flour prices at P [pesos] 205 per bag until Dec. 31. But he said the group will be constrained to adjust flour prices next year to cope with increasing prices of wheat in the world market.

He said the millers were operating at a loss at current prices of flour since wheat prices have increased from \$130 to \$190 per ton. "But we are even constrained to increase our output by 20 percent this year to avert a flour shortage," he said.

Maramba also said Pafmil members are still unable to collect \$31 million in undelivered orders of about 9,837 metric tons of wheat which they already paid in full in customs duties.

Reacting to insinuations that only the flour millers benefitted from the U.S. wheat grants, Maramba said the millers agreed to monetize the commodity grants based on commercial prices to help the Aquino government.

He said the price the flour millers paid for the cost of wheat was based on competitive commercial prices determined after public biddings attended by representatives of the Department of Finance and the Bureau of Customs.

Maramba said the flour millers paid the government a total P1.8 billion for the cost of wheat, freight, customs duties and taxes for these commodity grants.

He said Pafmil's purchase of U.S. commodity grants from the Philippine government "was not a privilege granted to flour millers because the government approached other commodity importers, including the tobacco, cotton, and dairy industries, but they all refused to avail of the grants."

**Ramos on Delay in CAFGU Organization**  
*HK1312033588 Manila THE MANILA CHRONICLE*  
*in English 13 Dec 88 pp 1, 8*

[Text] Cagayan De Oro City—Government failure to organize immediately the Citizens' Armed Forces Geographical Units (Cafgus) will only "prolong the protracted war" with communist rebels, Defense Secretary Fidel Ramos warned yesterday.

During a dialogue presided by President Aquino with Congress representatives and local officials here, Ramos expressed fears that Congress disapproval of the requested supplementary budget of P [pesos] 585 million for the Cafgus would greatly hamper the Government's counterinsurgency efforts.

"We are involved in a protracted war that has been going on in this country for so many years," Ramos explained, "What we need is a war of quick decisions."

The dialogue was held after President Aquino had lunch for the first time with a select group of newly-trained Cafgu volunteers in this city.

Ramos warned that without the Cafgus, local officials would be deprived of an effective civilian force that would defend their communities from the communist New People's Army (NPA).

Ramos was apparently addressing the warning to three senators—Aquilino Pimentel Jr., Teofisto Guingona Jr. and Heherson Alvarez—who opposed the approval of the Cafgu budget.

Ramos obtained support from local officials of Mindanao who attended a dialogue.

The officials urged the senators not only to approve the proposed Cafgu budget but also to increase the P500 monthly allowance for each volunteer.

Mrs. Aquino said she had invited the three senators so they could get a direct information on the sentiments of the people in the provinces regarding the Cafgus.

Ramos asked Mrs. Aquino's help in urging the senators to approve the Cafgu budget which will be tackled shortly. The budget was approved recently by the House of Representatives.

Guingona explained that some Senators were not against the creation of the Cafgus per se but were only proposing certain safeguards to ensure that the abuses committed by the disbanded Civilian Home Defense Forces (CHDF) and other militia groups would not be repeated.

He also told Ramos the need to further explain the terms and conditions of the civilian volunteers once they join the Cafgu.

Meanwhile, President Aquino urged local officials who will have a hand in selecting the Cafgus volunteers as members of the local Peace and Order Councils to ensure that only those qualified would join the force.

In supporting Ramos, Butuan Mayor Guillermo Sanchez said several local officials were already being threatened by the NPA warning them not to support the Cafgus.

This, he said, indicated that the rebels were apprehensive that the creation of the Cafgus would lessen their influence on the barangays.

Sanchez said that almost all barangay captains in this city favored the creation of the Cafgus.

**Senate Committee Holds Hearing on Baula Killing**  
*HK1212113588 Quezon City GMA 7 Radio-Television*  
*Arts Network in Tagalog 1030 GMT 12 Dec 88*

[from "GMA News" program]

[Text] Detained former Governor Orlando Dulay today revealed that the AFP [Armed Forces of the Philippines] turned down his testimony on the death of Colonel Francisco Baula Jr. In his appearance before the Senate defense committee, Dulay also hinted that PC-INP commanding general Major General Ramon Montano himself may be behind the Baula murder:

[Begin Dulay recording in English] The chief of PC talked to me and asked me if I will testify. And I said: Yes, I will testify. He said: Can you not do it? Why not? I asked, an officer was killed. And so many people will testify, I said. There were so many witnesses to the incident. [end recording]

Dulay added that 2 days after Baula was killed, Gen Montano summoned detained Colonel Gerardo Albano to discuss a matter involving P [pesos] 50,000. According to Dulay, news spread that Montano offered the sum for Baula's life.

[Begin Dulay recording in English] Mr Chairman, I think we should dig deeper into the Baula case, because immediately after 2 days, Colonel Gerry Albano was called by the chief of the PC and I think Colonel Albano should be summoned to testify here what was the P50,000 being talked about. It was the PC chief who brought this to Colonel Gerry Albano. [end recording]

Mrs Gladys Baula also appeared before the Senate defense committee and called for an investigation into the staff at V. Luna Hospital where her husband lost his life. Baula was reportedly still in fair condition when rushed to the hospital.

Meanwhile, Armed Forces Chief of Staff Renato de Villa said that he had no personal knowledge of Dulay's disclosures. According to Inspector General Hermogenes Peralta, none of the 15 witnesses claimed that Dulay had any inside information about Baula's death.

#### **PC Chief Denies Involvement**

*HK1312090388 Manila Radio Veritas in Tagalog  
0700 GMT 13 Dec 88*

[Text] PC-INP Chief General Ramon Montano today denied accusations by detained former Governor Orlando Dulay that he engineered the murder of ex-Lieutenant Colonel Francisco Baula. He added that it was not true that the PC-INP offered another detainee, Colonel Gerardo Albano, P [pesos] 50,000 for the liquidation of Baula inside the Camp Crame stockade. Dulay's accusations are inconsistent, false and baseless, said the PC-INP Chief General Montano:

[Begin Montano recording in English] I really do not know the actual testimony of former Governor Dulay, but he had said in the papers that I offered a certain Albano P50,000 to kill Baula. Of course, that is part of his wild accusation again and I think that witness to this would be Colonel Albano. However, I called for Col Albano who is one of the detainees, maybe 2, or 4 days after the Baula incident. And it would be illogical for me to make that offer after he was already dead. So it is a pack of lies. For whatever motives, I do not know. [end recording]

According to the PC-INP chief, Dulay's charges are not a laughing matter and it is for this reason that he is contemplating the filing of legal action against Dulay:

[Begin Montano recording in English] The wild accusation of Dulay is no longer a laughing matter. That is why I am looking at the actual transcript of what he said so that my lawyers can study these accusations of his and I will file legal actions against him. Because he is already villifying my character and I am already subject to public ridicule with his wild accusations. [end recording]

It will be recalled that former Governor Dulay had also accused Gen Montano of masterminding the escape of CPP [Communist Party of the Philippines] - NPA Number 3 man Romulo Kintanar, plotting an assassination of General Fidel Ramos and of organizing provincial military units in order to launch a coup d'etat against the Aquino government. Now, his latest charge about Montano engineering the murder of former Col Baula was disclosed before the Senate committee on national defense.

Reporting from Camp Crame, this is Jules Lesoto of Radio Veritas.

#### **Manila Police on Alert for CPP Celebration**

*HK1312032388 Manila MANILA BULLETIN  
in English 13 Dec 88 p 16*

[By Victor Vega]

[Text] Police and military operatives have been fielded to communist-influenced areas in Metro Manila following intelligence reports that members of the Communist Party of the Philippines (CPP) are coming to mark the CPP's 19th anniversary on Dec. 26 in the metropolis.

Brig. Gen. Alfredo Lim, Western Police District (WPD) superintendent, placed his entire command on red alert to cope with any eventuality in connection with the occasion.

Intelligence reports said that CPP "junior" cadres operating in Metro Manila and nearby provinces will celebrate the anniversary, while top CPP leaders hold their plenum somewhere in Northern and Southern Luzon.

The CPP "senior" cadres (higher rank) will meet somewhere in Northern Luzon, while the top cadres, such as Benito Tiamzon, the CPP acting chairman, and other members of the Politburo, will hold their plenum somewhere in Southern Luzon.

The top leaders, according to reports, will be under the protection of the New People's Army (NPA) Melito Glor Command which is the target of a big military offensive to rescue six soldiers held captive by the rebels.

Intelligence reports added that the Alex Boncayao Brigade (ABB), the NPA liquidation group operating in Metro Manila, will intensify its assassination campaign against government and military officials.

The CPP was founded by University of the Philippines (UP) activists led by Jose Ma. Sison on Dec. 26, 1969, after they broke up with the Partido Komunista ng Pilipinas (PKP) founded in 1930 by Crisanto Evangelista.

#### **NPA To Field Candidates in Barangay Polls**

*HK1212102588 Manila THE SUNDAY TIMES  
in English 11 Dec 88 p 2*

[By Rodrigo C. Galletes]

[Text] Lingayen, Pangasinan—Recom [Regional Command] I Commander Brig. Gen. Orlando Antonio of the PC/INP regional command for Ilocos Region said the communist-New People's Army was out to field its own candidates in the coming barangay elections.



Gen. Antonio informed Defense Secretary Fidel V. Ramos during a briefing at the Urduja House in Lingayen, that the NPA rebels are also determined to liquidate applicants and recruits of the Civilian Armed Forces Geographical Units [CAFGU].

According to Antonio, the NPA guerrillas specially would put up their own candidates for barangay captains and members of the councils specially in the NPA-influenced barangays. They would undertake terroristic activities during the election to manipulate the results of the polls in their favor, he stressed.

In response, Secretary Ramos ordered PC/INP officers to intensify their anti-insurgency drive to finish them off before the March 18 election.

Ramos pointed out that if the rebels are not allowed to gain any foothold in the barangay, they would eventually lose their followers.

Meanwhile, former Agrarian Reform Minister Conrado F. Estrella, Sr. said that instead of giving dole outs, the present government should offer liberal credit facilities and opportunities to small farmers as a measure to arrest the worsening insurgency situation in the country today.

**Abadilla Acquitted, Assumes Gubernatorial Post**  
*HK1312115988 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 13 Dec 88*

[From "GMA News" Program]

[Text] Elected vice governor and former colonel, Rolando Abadilla, has now been released from jail. He was acquitted this afternoon of charges of masterminding the seizure of GMA Radio-Television Arts last January 1987, which was part of an attempted coup d'etat. Abadilla was charged under court martial Number 7 for having telephoned renegade soldiers at the television station. During his defense, Abadilla denied the charges and said that he was in Metro Manila at that time to investigate a human rights complaint. Aside from being acquitted of this case, he was also acquitted of four previous cases against him: Illegal possession of firearms, involvement in the Black Saturday mutiny, and attempted takeover of Villamor Air Base in June 1987. [sentence as heard] Abadilla said he will return to Ilocos Norte to serve as vice governor:

[Begin recording in English] [Abadilla] I have no more rancor in my heart. What is left for me to do is to go back to my constituents and fulfill my vow and promise to them.

[Unidentified reporter] Are you going to support the administration of Mrs Aquino?

[Abadilla] Well, I'm going to support this government if it is for the good of the people. If it's not for the good of the people, I'm going to fiscalize [as heard] them. [end recording]

His defense lawyer thanked the court for its decision. Amongst the first to congratulate Abadilla was Mrs Gladys Baula, widow of slain Air Force Colonel Francisco Baula Jr.

[Lawyer] Thank God, Col Abadilla is now a free man. He can now go back to his constituents and serve them so that they will not continue to be disenfranchised by the attempts to prevent Colonel Abadilla from circling. [end recording]

**Farmers To Resist Confiscation of NDF Lands**  
*HK1212040988 Manila THE MANILA CHRONICLE in English 12 Dec 88 p 8*

[Text] An underground peasant revolutionary group has vowed to use armed force if the Government proceeds with its plan to retrieve lands reportedly confiscated by the National Democratic Front (NDF) and distributed for free to landless farmers.

In a press statement, a copy of which was sent to Philippine News and Features, the Pambansang Katipunan ng Magbubukid-Gitnang Luzon (PKM-GL or National Peasant Movement-Central Luzon), a member-organization of the clandestine NDF, said the Government move was a "new declaration of war against the poor masses" meant to "justify the deployment of battalions of troops in the provinces."

The PKM statement came in the wake of a report by Defense Secretary Fidel Ramos that the New People's Army (NPA), also an NDF affiliate, has seized from landowners in Central Luzon and the Visayas some 31,000 hectares of land and distributed these to peasants.

President Aquino has directed agrarian reform authorities to coordinate with the Armed Forces in retrieving the confiscated lands and in prosecuting peasant beneficiaries of the NDF's "Rebolusyong Agraryo" (Agrarian Revolution).

The PKM also said that in Central Luzon, the country's former rice granary and hotbed of past peasant uprisings, the "Rebolusyong Agraryo" has been initiated by peasants themselves and is not solely the work of the NDF.

Almost 80 percent of land covered by Marcos' Operation Land Transfer (OLT) are now owned by tillers because of the NDF-led agrarian revolution, PKM said. Farmers have long stopped paying amortization as well as rent for large agricultural-lands. Many capitalist farms have also been subdivided among farmers, PKM added.

Without citing figures, PKM said the agrarian revolution in Central Luzon already covers "thousands of hectares."



Agrarian Reform Secretary Philip Juico has said that lands reportedly confiscated and distributed for free by the clandestine Left have little impact and would eventually fail because of lack of support services such as capital, equipment and marketing system.

## 20 Anticommunist Vigilante Groups Unite

HK1012093788 Manila Manila Broadcasting Company  
DZRH in Tagalog 0800 GMT 10 Dec 88

[Text] Leaders of various anticommunist movements and vigilante groups have decided to unite and form an umbrella organization in a bid to engage in a more effective struggle against the growing communist threat in the country. The National Alliance for Democracy, or NAD, is composed of some 20 anticommunist groups such as Alsa Masa, Kadre [Katipunan ng mga Dating Rebelde at Detenido—Association of Former Rebels and Detainees] and the Manila Crusaders for Peace and Democracy. Its principal objective is to counter any National Democratic Front moves and check the growth of communism in the Philippines.

[Begin Maganto recording] This is the umbrella organization of all anticommunist groups all over the country. We have Davao's Alsa Masa, Nakasaka, Kadre, League of Concerned Citizens and the Manila Crusaders for Peace and Democracy that I headed, and it is composed of about 20 anticommunist organizations in the entire country. We intend to counter the National Democratic Front of the Communist Party of the Philippines-NPA. [end recording]

That was Colonel Romeo Maganto, head of the Manila Crusaders for Peace and Democracy as well as one of the national advisers of the National Alliance for Democracy.

## Leaders Involved in Arms Smuggling Identified

HK1012093188 Manila PHILIPPINE DAILY  
GLOBE in English 10 Dec 88 pp 1, 6

[By staff writer Dionisio Pelayo]

[Text] Key cadres involved in the communist movement's arms-landing plot as well as one of the rebels' seized business enterprises were identified yesterday by Maj Gen Ramon E. Montano, Constabulary chief.

Montano identified the key cadres of the outlawed Communist Party of the Philippines involved in the arms-landing scheme as Geminiano Gualberto alias Claro and Francis, project officer; Leopoldo Caubang alias Nestor and Nelson, assistant project officer and logistics officer; Tirso Alcantara alias Dave and a certain Boyet, representative of the CPP [Communist Party of the Philippines]/NPA national logistics department (N4); and two others identified only by their aliases Rudy and Danny.

Gualberto and Caubang are leading cadres of the NPA regional operational command of the CPP Southern Tagalog party committee, Montano said.

One of the business establishments seized by PC-INP intelligence operatives, Montano said, was the Equalizer Motor Shop, formerly known as the A-Team Motor Shop in Paranaque.

Leonardo Carlos alias Leny, the owner of the motor shop, was allegedly the driver and liaison man of captured NPA chieftain Rodolfo Salas alias Commander Bilog, Montano said.

The vehicles seized from the motor repair shop include one GMC International six-wheel truck, another GMC truck, a Toyota Corona 1978 model, a Ford Escort, a Ford Econovan, a Yamaha 400 motorcycle, a Ford Fiera and a GMC International truck chassis.

Montano said the vehicles "generated" by the communist movement for "special operations" like the arms-landing project were brought to the motor shop for refurbishing.

PC-INP authorities earlier claimed that three businesses owned by the communist movement and involved in the arms-landing plot have been "neutralized."

Col Gerardo Flores, PC-INP intelligence chief, said aside from the motor shop, a trucking firm and a fishing company were seized.

The fishing company owned the three [boats] confiscated by combined PC-INP-Army-Air Force troops on an island off Quezon province early this week.

Flores said the CPP-NPA arms landing project, code-named "project November Yankee (NY)," was uncovered through documents captured from ranking CPP-NPA leaders who were arrested early this year.

Thus, Operation Red Sphinx was launched by the military to stop the rebels from smuggling arms into the country.

Operation Red Sphinx started with a raid on a motor shop suspected to be owned by the rebel movement in Floridablanca, Pampanga, two months ago.

The raid resulted in the confiscation of several motor vehicles and documents.

Documents seized from the motor shop as well as the alleged confession of Josefino Segui alias Carlo and Pepe, who was arrested last November 25, led to the discovery of the arms-landing project.

Initial implementation of the operation also resulted in the discovery and neutralization of eight CPP-NPA safe houses in Quezon, Laguna and Pampanga "effectively dislocating the CPP's communication lines, transient posts and staging areas," Flores said.

Earlier this month, massive military operations from the coastal areas of General Nakar, Quezon, to the Polillo Strait, including several nearby islets, were launched to eliminate the estimated 50 storage sites prepared by the rebels for the expected arms shipment.

Many of the storage sites were believed to have been destroyed.

**Cebu Mediamen Provided Military Security**  
*HK1212022788 Manila Far East Broadcasting Company in English 2300 GMT 11 Dec 88*

[Text] Visayan Command Chief Brigadier General Jesus Hermosa has vowed to provide military security to mediamen who have become the targets of revolutionary justice of the CPP [Communist Party of the Philippines]-NPA. Posters naming some members of the Cebu media as targets, signed by the CPP-NPA's youth sector, the Kabataang Makabayan [Nationalist Youth], have been posted in some areas of the city. The posters accuse some mediamen of having been used as tools of the Aquino-U.S. regime. Hermosa said the CPP-NPA is trying to harass members of the Cebu media because, in general, the Cebu media is against communism. The CPP-NPA is exerting efforts to infiltrate the media which is a powerful institution in molding public opinion.

**Over 100 Bulacan Insurgents Said To Surrender**  
*HK1312025388 Quezon City Radyo ng Bayan in Tagalog 0100 GMT 13 Dec 88*

[Text] Six insurgent leaders are due to surrender to Bulacan Governor Roberto Pagdanganan today. In an interview with PBS [Philippine Broadcasting Service] News, Pagdanganan said that during the past 2 months over 100 insurgents have surrendered and returned to the fold of the law. He said the provincial government of Bulacan plans to set up cooperatives in various towns to give the former insurgents a means of livelihood.

**Thailand**

**'Tension, Uncertainty' Cloud Copyright Talks**  
*BK1312102588 Bangkok BANGKOK POST in English 13 Dec 88 pp 1, 3*

[By Phonphimon Kanchanalak in Washington]

[Text] Tension and uncertainty cloud the Thai-U.S. talks on copyrights and pharmaceutical patent protection which resumed last night (Bangkok time) after "tense" negotiations on Friday.

Permanent Secretary for Commerce Phatchara Itsare-sena met Assistant U.S. Trade Representative [USTR] Peter Allgeier last night to work out a mutually acceptable solution to major differences which still exist after talks between working level officials on Friday.

If no agreement is reached, it is possible the meeting between Commerce Minister Subin Pinkhayan, who arrived in Washington from the GATT talks in Montreal on Sunday, and U.S. Trade Representative Clayton Yeutter scheduled for 5.00 p.m. Monday (about 5.00 a.m. today Bangkok time) will not take place.

Mr Subin and Ambassador Yeutter are scheduled to sign a record of discussion that would signify a breakthrough in the Thai-U.S. talks on intellectual property rights before the December 15 deadline when the USTR must recommend whether Thai privileges under the U.S. Generalized System of Preferences (GSP) should be revoked or not.

On Friday, Mr Phatchara and Mr Allgeier met to find a mutually acceptable formula and language for the draft of the record of discussion.

The prevailing mood and atmosphere on both sides after the Friday session was described as "tense" with neither knowing for certain the other's game plan.

The issues in dispute are copyright protection of computer software and interim measures for patent protection of pharmaceutical products.

According to informed sources, both sides have put their cards on the table and there is little room to manoeuvre.

On Friday, the Thai side made it clear the government was not prepared to give the U.S. a guarantee not to propose *sui generis* legislation to govern computer software prior to a ruling by Thai courts on its ability to be copyrighted.

Thailand, however, told the U.S. it would consider providing the U.S. with the same protection that Thai nationals receive under legislation for computer software. The legislation in question is not necessarily a copyright law.

A U.S. source commented that the U.S. has already adjusted its request on software to meet Thailand half way.

The U.S. acknowledges that Thai nationals do not have protection for software. However, the U.S. believes it is quite reasonable to ask the Thai Government not to undertake any action that would upset things as they at issue prior to a ruling in the Thai courts.

The U.S. included software protection in their copyright law in 1976. Of the 76 Berne Convention signatories, 44 nations provide software protection under their copyright laws.

The feature of computer software that the U.S. especially wants to protect is what is known as a "flow chart". A flow chart specifies steps needed to accomplish a task.

If not protected, those steps can be copied or modified as opposed to having to be invented, thus making copying software much easier.

Sources said one reason why the U.S. wants protection for the flow chart is because they believe the Science and Technology Ministry is about to introduce a law covering software that would not provide protection for flow charts.

Both sides seem to accept that an agreement is not likely on interim measures to protect drug patents.

The measures that Thailand offered provide no guarantee that active ingredients in new drugs will be protected for the period of five years that Thailand said it needed to put patent protection law for pharmaceutical products in place.

The bio-equivalency test (to show that a drug is as effective with Thais as with foreigners) that Thailand proposed is believed to provide exclusivity to the original producers for about 6 to 18 months as opposed to 5 years that the U.S. requested.

On trademark and market access, progress has been made that both sides found satisfactory.

Thailand assured the U.S. that it is in its interest to push for the passage of trademark legislation in 1989. Tariffs on apples, wheat and isolated soy protein are to be cut by the Thai Government as requested by the U.S., effective January 1, 1989.

It was also reported that the U.S. was happy with Thailand's stand on the issue of intellectual property rights (IPR) during the mid-term review of the General Agreement on Tariffs and Trade (GATT) in Montreal last week.

The U.S. wants to include the IPR issue in the agenda of GATT as they see it is a trade issue. Developing countries oppose the idea and want to rely solely on the norms of the World Intellectual Property Protection (WIPO) which do not have surveillance nor enforcement mechanisms.

Mr Subin, as chairman of ASEAN economic ministers, made an initiative at the meeting in Montreal in favour of putting IPR on the GATT agenda.

Thai Ambassador in Washington Witthaya Wetchachiwa and embassy officials have held numerous meetings with key officials both in the administration and Congress to explain the Thai position.

The ambassador asked these officials to exercise maximum flexibility and to take into account political and foreign policy considerations in dealing with trade issues.

The officials whom the Thai ambassador met included those in the White House, the National Security Council, the Central Intelligence Agency, Defence Department, not to mention State Department, the USTR and Commerce and members of the Congress.

#### Trade Official Views Talks

BK1212015588 Bangkok *THE NATION* in English  
12 Dec 88 p 13

[By Witsanu Cholitkun: "Thailand Firm in Trade, Textile Talks With U.S."]

[Text] The Thai government will stand by its original principles in crucial trade meetings in Washington DC this week, including the new bilateral textile and garment agreement with the U.S. government, a senior official said.

Oranut Osathanon, director general of the Foreign Trade Department, said the Commerce Ministry's delegation attending the meeting will not budge to the United States' demand that Thai textile and garment exports to the U.S. face further curbs.

The Dec 12-15 meeting on the new five-year bilateral textile and garment agreement is the third in the series of talks after senior officials failed to produce results during the past two rounds of negotiations.

Oranut told *THE NATION* that both the Thai public and private sectors agreed that they will not give in to the U.S. demand to impose more quotas and limit the growth of Thai exports.

The statement of the director general summed up Thailand's overall position regarding trade talks with the U.S. Commerce Minister Subin Pinkhayan is also in Washington for talks with U.S. officials on the copyrights and patent issues at the same time.

Prime Minister Chatchai Chunhawan has already given the mandate to the Subin delegation not to give in to the U.S. demand that the law on protecting software should be included in the copyrights law.

The U.S. administration is scheduled to rule on Dec 15 the status of Thailand's export privileges to the U.S. under the Generalized System of Preferences [GSP] pending the progress of talks on intellectual property rights protection.

Oranut said Thailand believes that the existing six-year bilateral textile and garment agreement with the U.S., due to expire at the end of this year, has been unjust and has the potential to impede the progress of the Thai textile and garment industry.

Wirot Amatakunchai, president of the Thai Garment Manufacturers Association, estimated that without the present agreement, Thai exports of garment and textiles would double the expected export quantity of about Bt49 billion for 1988.

Oranut said the U.S. used the opportunity during the talks six years ago to take advantage of Thailand's inexperience in international trade negotiations and the relatively infant textile and garment industry.

The U.S. demanded and got the aggregated quota on textiles and yarns over and above the quotas on specific items. As a result, the exports of Thai textiles and yarns were limited whereas other countries got more flexibility.

This time, the Thai government will reject the U.S. demand to impose aggregate quota on textiles, yarns or garment.

Oranut said this round of talks will fail again if the U.S. insists that Thailand must meet all of its demand.

"Our private sector has already pledged to bear all the repercussions if the talks fail because they do not want to remain in a disadvantageous position," she added.

According to the Multi-Fibre Arrangement [MFA], a global textile and garment quota system, if the talks should fail both sides will have to negotiate for a completely new system of quotas and types of products to be imposed under the quota. The process would take a long time to conclude.

During the negotiation period, the U.S. could take unilateral action against Thailand but Thai exporters could still export to the U.S. normally, provided the volume not exceed the level specified in the last year of the bilateral agreement.

Oranut played down fears that the U.S. would take unfair unilateral action, saying that the U.S. must abide by the regulations under the MFA.

She said the prices of textile products in the U.S. market are falling because of lack of demand and Thailand does not need to export to the U.S. beyond the previous quota levels.

Wirot said exports to the U.S. have begun to fall since the middle of this year because of a drop in sales of major American retailers.

"Previously, 10 lots of merchandise would contain 1-2 lots of cheap products but now the latter have increased to 5-6. We are able to negotiate at full strength," he said.

Oranut said this round of talks is all about whether the negotiation should continue. If the U.S. is prepared to make compromise, then talks on other points will proceed.

They include a proposal to tie non-MFA items to the quota and switching from the conventional customs code TSUSA [Tariff Schedules of the United States, Annotated] to the Harmonized System.

If the principle concerning the aggregate quota cannot be settled, the talks will just collapse, she said.

**Sitthi To Tour PRC December, SRV Late January**  
*BK1312023588 Bangkok BANGKOK POST in English 12 Dec 88 p 3*

[Text] Foreign Minister Sitthi Sawetsila is scheduled to visit China before the end of the year and is expected to go to Vietnam later.

Ministry sources said ACM [Air Chief Marshal] Sitthi is likely to visit Hanoi in the third week of January.

**'Conflict' Between Chat Thai, SAP Continues**  
*BK1112024088 Bangkok BANGKOK POST in English 11 Dec 88 p 10*

[From the "Inprint" column]

[Text] Foreign Minister Sitthi Sawetsila's resignation from the Thai-U.S. subcommittee shows that conflict between the Chat Thai and Social Action [SAP] parties continues and, if left unremedied, could flare up again in future, SU ANAKHOT writes.

The conflict stems from "lack of effort to understand and work in close co-ordination on the part of leaders of both parties," the weekly says.

Air Chief Marshal [ACM] Sitthi resigned from the Thai-U.S. subcommittee after only two meetings had been held because he could not bear the pressure of those with opposing views, it recalls.

The foreign minister said he resigned because he had been "discouraged" by allegations that he was trying to assert pressure domestically because he had already accepted the U.S. proposal.

But government sources told SU ANAKHOT that the resignation primarily was propelled by his disappointment over Prime Minister Chatchai Chunhawan's postponing Cabinet consideration of the proposed Thai stand in negotiations with the U.S.



The prime minister postponed by two days Cabinet deliberation of the proposal—which had already been approved by the International Economic Relations Committee [IERC]—saying it was an important matter, a move that could have been seen as a delaying tactic.

Secondly, ACM Sitthi was aware that the prime minister's advisers disagreed with the IERC proposal and were preparing to react to it. At about the same time, the Students Federation Centre and the Pharmaceutical Students Association of Thailand were stirring up a new wave of opposition.

Thirdly, there was a leak of the IERC proposal to certain members of the Press that was strongly suspected to have come from opponents.

The leak was the last straw on the camel's back as it was seen as a direct slight on SAP since keymen of the IERC are top men of the party—for example ACM Sitthi, Deputy Prime Minister Phong Sarasin and Commerce Minister Subin Pinkayan.

To back up the point, SU ANAKHOT quotes the foreign minister's secretary Montri Danphaibun as saying "we (SAP) are not very happy with the way the work is being done. We proposed data to the Cabinet but it was leaked to the Press beforehand. This has adverse repercussions on negotiations and should not have happened. We do not blame the Press because it is a matter of their capability."

The whole incident has shown that "there is continuing conflict between two political parties—Chat Thai and SAP," the weekly says. SAP is solving the problem this time by pulling back in retreat, it adds.

Meanwhile, in a bid to "console" the foreign minister, the prime minister's son Kraisaak Chunhawan has cancelled plans to go to Hanoi, saying it should be the Foreign Ministry's duty to improve relations with Vietnam, daily papers reported last week.

**High Trade Deficit Reported in First 9 Months**  
*BK0812025988 Bangkok BANGKOK POST in English*  
8 Dec 88 pp 17, 32

[Text] Thailand suffered a high trade deficit of 78,440 million baht during the first nine months of this year, Bank of Thailand spokesman Techaphit Saengsingkaeo said yesterday.

He pointed out that the high trade deficit reflected the country's continued economic expansion, which triggered the higher imports.

During the period, imports totalled 406,396 million baht against exports of 327,956 million baht.

The country enjoyed a positive unrequitted transfer account of 36,768 million baht and the current account deficit was 41,654 million baht.

Net capital inflow came to 56,774 million baht during January-October this year, and the balance of payments showed a surplus of 31,087 million baht.

Mr Techaphit said in October imports were still high, while credit extension by the commercial banking system expanded by 29 percent. At the same time, deposits in banks rose by only 18 percent which meant the country suffered liquidity problems, pushing interest rates to a higher level.

Inflation in October was 4.5 percent, but average inflation during the first nine months remained at 4 percent.

Following its evaluation of Thailand's economy after the first nine months, the central bank had maintained its forecast for annual economic growth of 9.3 percent with investment being the major ingredient in economic expansion.

Production in both the agricultural sector and manufacturing sector also registered high growth rates during the period. Agricultural commodities enjoyed an average 8.5 percent increase in price, while sectors other than agriculture enjoyed a 9.5 percent average increase in price.

Mr Techaphit said investment would this year expand at the rate of 28 percent, and could be expected to increase in future.

Investment by both the private and public sectors during the next four to five years would amount to no less than 500,000 million baht. This means the country may suffer a shortfall in public savings because of the funds required to finance the investment.

## Vietnam

### National Assembly Meeting Opens 13 December

**Cabinet Secretary on Meeting**  
*BK1212123188 Hong Kong AFP in English 1224 GMT*  
12 Dec 88

[By Jean Claude Chapon]

[Text] Hanoi, Dec 12 (AFP)—Vietnam's National Assembly is to open its December session Tuesday [13 December] amid official pledges that it will be allowed to exercise its powers virtually free of Communist Party interference.

"In the spirit of renewal, authorities from the Communist Party will not intervene to any great extent in National Assembly proceedings," Cabinet Secretary Vu Mao told a news conference here Monday.

Mr. Mao said the Assembly would debate and adopt an amendment to the preamble of the Constitution regarding foreign policy, health legislation and modifications to the judiciary system during the session ending December 22.

It would also discuss four special reports from the Council of Ministers relating to tax scales, the land problem, salaries and food supplies.

The Assembly's regular sessions are usually preceded by a full meeting of the Vietnam Communist Party's (VCP) Central Committee, where major legislative decisions are made, leaving the body with little more than a rubber-stamp role.

This time no Central Committee meeting has been scheduled, an informed source said.

Mr. Mao also said Monday that VCP Secretary General Nguyen Van Linh, who has been ill and is now in southern Vietnam's Ho Chi Minh City, would not attend the opening session of the Assembly as is the usual custom.

A government official said the session would likely see assembly deputies playing their true role, "notably in genuine discussions on various legislative proposals."

He added that deputies would for the first time be responsible for "choosing among several bills proposed by a minister on a specific subject."

Mr. Mao explained that the amendment to the preamble of the Constitution, likely to be adopted by the Assembly, was necessary in order to "conform to the foreign policy defined by the sixth party congress in December 1986."

Official Vietnamese sources said the amendment was expected to stress the need to re-establish "the traditional friendship between China and Vietnam" and to expand relations with the nations of Southeast Asia and other countries without regard for their social system.

China and Vietnam have been at loggerheads since Vietnam's invasion of Cambodia in late 1978.

The Assembly is also to make a decision on a bill proposing fees for certain medical and surgical treatments, which in the past were free of charge.

Mr. Mao said the Council of Ministers report on tax scales for private trade and industry "would be discussed but can only be adopted during the June 1989 session."

Reform of the current law has been demanded by those affected because they feel the tax levels are too high.

The Vietnamese press has recently echoed the complaints of private entrepreneurs, particularly in the south, who say the taxation levels take up to 50 per cent of their profits and could force businesses to close.

The council report on land is also a crucial subject to be discussed. Farmers, angered that land had been returned to the old landowners or monopolized by party members and officials of cooperatives, have staged several strikes in southern Vietnam in recent months.

In April, the Communist Party Politburo decided to privatize certain state and collective lands in a bid to stimulate production and improve management in the agricultural sector.

The National Assembly is also to debate the problem of food supply in the country. The rice crop in the north was hit by devastating droughts during the year and the next harvest is not expected to meet internal needs, an official source said.

#### Radio Gives Details of Agenda

BK1312014688 Hanoi Domestic Service in Vietnamese  
2300 GMT 12 Dec 88

[Text] Dear friends: Today, 13 December, the Fourth Session of the Eighth National Assembly will open at the Ba Dinh Conference Hall in Hanoi.

During this session, the National Assembly, in its capacity as the highest organ of power, will discuss and evaluate the socioeconomic situation in 1988, the orientation and socioeconomic task, and the budget for 1989 in a renovative spirit.

In addition to an important report on the socioeconomic and budgetary situation, the Council of Ministers will present a report on the situation regarding land, welfare, and wages as well as the grain-related problem.

The National Assembly will discuss and approve an amendment to the preamble of the SRV Constitution to make it compatible with our party and state foreign policy; discuss and pass the law on health care for the people, revise and supplement the Law on the People's Courts and the People's Organs of Control, and set up a commission to revise a number of articles of the Constitution.

The National Assembly will also hear the foreign minister's report on our country's diplomatic activities.

### **Assembly Session Opens**

*BK1312060488 Hanoi Domestic Service in Vietnamese  
0500 GMT 13 Dec 88*

[Text] Dear friends: The Fourth Session of the Eighth National Assembly grandly opened at the Ba Dinh Conference Hall at 0830 this morning [13 December]. Some 478 national deputies from various areas throughout the country have turned up to attend this session.

Comrades Vo Chi Cong, member of the Political Bureau and chairman of the Council of State; Do Muoi, member of the Political Bureau and chairman of the Council of Ministers; and Pham Van Dong, adviser to the party Central Committee attended the opening session. Also present were members of the diplomatic corps, international organizations, and correspondents of domestic and foreign news agencies, newspapers, and radio and television stations.

Prior to the opening, the National Assembly deputies visited the Ho Chi Minh Mausoleum to pay respects to President Ho Chi Minh. Following the opening speech by National Assembly Chairman Le Quang Dao, participating delegates observed a moment of silence in memory of Comrade Truong Chinh, adviser to the party Central Committee, former general secretary of the party Central Committee, and former chairman of the Council of State; and Comrade Dang Hoi Xuan, former minister of public health and a former deputy of the Eighth National Assembly.

Next, Comrade Vo Van Kiet, first vice chairman of the Council of Ministers, gave a report on the implementation of the 1988 state plan and the tasks set forth in the 1989 state plan. The report contained three parts: part one provided an assessment of the implementation of the 1988 socioeconomic plan, part two outlined requirements and objectives for 1989 socioeconomic development, and part three dealt with the renovation of the mechanism and policies and with the implementation of the plan.

Also at this morning's sitting, the delegates heard Comrade Le Quang Dao, chairman of the National Assembly and vice chairman of the Council of State, present a National Assembly draft resolution regarding the establishment of a commission to draft, revise, and supplement a number of articles of the Constitution; Comrade Nguyen Thi Binh, head of the National Assembly's Foreign Relations Committee, read a report on a plan to amend the preamble of the Constitution; Comrade Pham Song, minister of public health acting on behalf of the Council of Ministers, read a report on a draft law on health care for the people; Comrade Pham Hung, presiding judge of the Supreme People's Court, read a report on draft amendments and supplements to the law on the organization of tribunals; Comrade Tran Quyet, chief procurator of the Supreme People's Organ of Control, read a report on draft amendments and supplements to the law on the organization of the People's Organs of

Control; Comrade Nguyen Thi Than, head of the Public Health and Social Welfare Committee, read an investigative report on a draft law on health care for the people; and Comrade Ngo Ba Thanh, head of the Judicial Committee, read an investigative report on draft amendments and supplements to the laws on the organization of the People's Courts and on the organization of the People's Organs of Control.

The National Assembly will continue to work this afternoon. During this evening's 1800 [1100 GMT] newscasts, we will report further on the opening of the Fourth Session of the Eighth National Assembly.

### **VNA Reports Opening**

*BK1312075688 Hanoi VNA in English 0720 GMT  
13 Dec 88*

[Text] Hanoi VNA Dec.13—The Fourth Session of the 8th National Assembly of Vietnam opened at the Ba Dinh Conference Hall here this morning.

The session will discuss the Council of Ministers' report on the socio-economic situation and the implementation of the 1988 state budget, approve the 1989 state plan and budget and ratify the total account of the 1987 state budget. It will also adopt a draft amendment to the "preamble" of Vietnam's Constitution, the Law on the People's Healthcare, the amendment and modification of the Law on the Organization of the People's Courts and the People's Control Organs and will decide the establishment of a committee for amendment and modification of some articles of the Constitution.

The session is attended by State Council President Vo Chi Cong, chairman of the Council of Ministers Do Muoi, advisor to the Party Central Committee Pham Van Dong and other senior party and state officials.

Members of the diplomatic corps are also present.

After the opening speech delivered by National Assembly Chairman Le Quang Dao, the deputies observed a minute of silence in memory of Truong Chinh, advisor to the party Central Committee, former general secretary of the party central committee, former president of the state council, who died on September 30, 1988, and Minister of Public Health Dang Hoi Xuan, deputy from Haiphong City, who died in an air crash on Sept. 9, 1988 while on a mission.

First Vice-Chairman of the Council of Ministers Vo Van Kiet delivered a report on the implementation of the 1988 state plan and the tasks of the 1989 state plan.



**Vo Van Kiet Speech on Economy**

*BK1312112088 Hong Kong AFP in English 1103 GMT  
13 Dec 88*

[By Jean-Claude Chapon]

[Excerpt] Hanoi, Dec 13 (AFP)—Vietnamese Vice Premier Vo Van Kiet painted a bleak picture of the country's economy Tuesday [13 December], calling for the abolition of free health care and education as well as further expansion of the private sector.

"The country's social, economic and financial position did not improve in 1988," he told the opening of the December session of the National Assembly.

Mr. Kiet said Vietnam was "still confronted" with enormous problems and challenges and he criticised "the current approach to work with its low level of return, quality and efficiency."

Gross national product was expected to grow by 5.4 per cent this year, he said. But the relatively strong growth rate was offset by inflation, poor tax collections and a budget deficit which forced the government to "reduce spending on infrastructure, education, health and culture."

Mr. Kiet appealed to fellow members of parliament to support a bill providing for the abolition of totally free health care and education.

The Vietnamese economy "must become integrated in the work market" by "taking advantage of greater cooperation with foreign countries," he said.

Constraints and obstacles in the public sector must be removed, "particularly by enlarging the spheres of activity of cooperatives and the private sector."

The vice premier, a Politburo member considered the leader of "liberals" in the Vietnamese Communist Party and among the first to advocate private enterprise in agriculture and industry, also hinted at a new tax system.

"We have to work out a rational taxation system" to be applied from next year because "taxes are currently insufficient and the present system is having a bad effect on production and prices," he said.

Officials have said that fiscal reforms involving corporate taxes are now being studied and are due to be submitted to the National Assembly in June.

Mr. Kiet said that inflation "remained serious in 1988 even if it was less significant than in 1987. The struggle against inflation is still necessary."

Vietnam does not disclose inflation figures but Western economic experts believe the annual rate is somewhere between 700 per cent and 1,000 per cent.

Turning to 1989, the vice premier said that GNP was expected to grow 7.6 per cent and national income by 8.2 per cent. Industrial output was likely to expand 12 per cent and agricultural production by five per cent. Food output was targetted to grow 5.2 per cent to 20 million tonnes of paddy equivalent. [passage omitted]

**Vo Van Kiet Speech Detailed**

*BK1312111088 Hanoi International Service in English  
1000 GMT 13 Dec 88*

[“Excerpts” from the socioeconomic report delivered by Vo Van Kiet, vice chairman of the Council of Ministers, on 13 December at the current Fourth Session of the Eighth National Assembly ]

[Text] In his report on the socioeconomic situation of Vietnam to the fourth session of the eighth legislature of the Vietnamese National Assembly on Tuesday morning [13 December], Mr Vo Van Kiet, vice chairman of the Council of Ministers, said that in 1988, Vietnam has overcome many difficulties and obstacles and has gained much progress in carrying out its targets of food production, consumer goods, and goods for export. But there are still many difficulties lying ahead.

The food production plan was fulfilled but the food stockpile increase was not substantial enough. In several localities, such as Nghe Tinh and other central coastal provinces, natural calamities caused great losses to the crops, especially subsidiary crops.

Many enterprises' production slowed down and the state had to pay for their losses. Material foundations of several branches, especially transport and communications, degraded. The export of goods suffered losses and inflation continued.

Vice Chairman Vo Van Kiet commented that despite new progress in many sectors, the socioeconomic situation in Vietnam this year in general, and the national financial situation in particular, were not improved greatly.

Vice Chairman Vo Van Kiet pointed out that in 1989, Vietnam should renovate its management mechanism on the national economy, expand its cooperation with foreign countries, meet the minimum demand for food requirement of the population, and increase the stock reserve for the state.

In 1989, Vietnam will try to check the inflation rate, reduce the circulation of banknotes, and gradually reduce the speed of price increase.

On food production, Vice Chairman Vo Van Kiet said that in 1989, Vietnam will try to obtain 20 million tonnes of rice, an increase of 5 percent as compared with 1988. In 1989, export turnover is expected to increase 15



percent, of which to socialist countries increase about 17 percent, and 12 percent to other countries as compared with 1988; and handicraft export value, increase by 40 percent.

In 1989, Vietnam will pay attention to the development of the production of energy, fertilizer, and cement. In 1989, electricity output will increase 18 percent as compared with 1988. Also in 1989, it is planned that the second generator unit of the Hoa Binh Hydropower Plant will be put into commission and the four generator units of the Tri An Hydropower Plant will be basically completed.

On the social problem, Vice Chairman Vo Van Kiet said that in 1989, Vietnam will restore and establish law and order in the spirit of the new management mechanism, exercise social equality, and renovate the structure of all fields of economic management and policies.

**Nguyen Van Linh Said 'Seriously' Ill**  
*OW1312085088 Tokyo KYODO in English 0831 GMT  
13 Dec 88*

[Text] Hanoi, Dec. 13 KYODO—Vietnamese Party General Secretary Nguyen Van Linh did not attend the opening ceremony of the National Assembly session on Tuesday and diplomatic sources here suspect he may be seriously ill.

Though the party chief was absent, Pham Van Dong, the 82-year-old former premier, did attend the opening day of the 10-day parliamentary session. He appeared unsteady on his feet but in good health.

Main topics in the session are scheduled to include the state budget for 1989 as well as the revision to the Constitution's preamble and anti-inflation measures. Tax reform, wage increases for public employees and steps to increase food production are also on the agenda.

Several assemblymen said the session could hear critical voices against the government over the failing economy. But immediate concrete remedies would not be forthcoming, they predicted.

Inflation is now running at nearly 800 percent. Persistent rumors suggest that two cabinet ministers may be dismissed because of the situation.

**NHAN DAN Editorial on Promoting Renovation**  
*BK1212151288 Hanoi Domestic Service in Vietnamese  
2300 GMT 9 Dec 88*

[NHAN DAN 10 December editorial: "Harmonize Thought and Action, Promote Renovation"]

[Text] The sixth party congress resolution pointed out that the key task of ideological work is to renovate all aspects of party and state activities with top priority being given to attempts to renovate economic thinking,

to enhance the revolutionary quality of cadres and party members, to foster patriotism and love for socialism and proletarian internationalism, and to rekindle the masses' revolutionary fervor.

So, what has our party done to implement that key task of ideological work now that 2 years have elapsed since the holding of the sixth party congress? What is the attitude of cadres, party members, and people of all walks of life toward our renovation undertaking? How should we evaluate the actual developments of ideological work? What achievements have we made? What are the problems that still need to be settled? What must the party do to further strengthen ideological work so it may bring about the expected results? Only through scrupulous criticism and review can we find the accurate answers to these questions.

The conclusions on a number of immediate issues concerning ideological work that the party Central Committee Political Bureau just made public have provided all party committee echelons and cadres and party members with firm basis for harmonizing thought and action.

The most important conclusion involves an assessment of the situation and a review of what we have or have not accomplished. The Political Bureau has ascertained that over the past 2 years, party committee echelons; sectors; mass organizations; and propaganda, educational, cultural, literary, and artistic organs have made many efforts to develop and guide the implementation of party resolutions in accordance with the renovative spirit of the sixth party congress. A number of policies on renovating economic management in agriculture, on ensuring state-operated economic establishments' right to autonomy, on bringing into full play the non-governmental economic sectors; on security, national defense, and foreign relations; on broadening democracy and openness; and on struggling against negativism have begun to show their effects.

Obviously, on the socioeconomic front, there have appeared positive factors, new changes, models of efficient production and business operations, and examples of good people and good deeds. All these positive factors are worth noting because they have contributed to kindling an atmosphere of democracy and openness in society.

However, we must realize that the socioeconomic situation is still rife with numerous difficulties and shortcomings, that progress is still slow when it comes to improving leadership and management skills, that the organs involved do not fully provide information about the national situation, and that at times, some of these organs have failed to seriously implement this task.

Consequently, these shortcomings have given rise to deviant, distorted ideological concepts, incorrect assessment of the situation, a failure to seriously deal with mistakes and shortcomings, a lack of courage to face the

plain truth, a tendency to take into account only the difficult aspects of issues and to avoid making an extra effort to work out problem-solving methods, and worse still, a skeptical attitude toward the path of advancing toward socialism.

It is important for our party committee echelons, mass organizations, and propaganda and educational organs to fully and correctly provide information about the situation of the country and about tasks that have not been accomplished, clearly analyze their causes and the measures taken to unravel difficulties, build confidence, consolidate unity of thought and action in the entire party, and promote renovation.

The struggle against negativism and the issues concerning broadening democracy and openness in activities of the party and in social life have received special attention from all Vietnamese. The question is whether the party should continue to accelerate this struggle or to overlook it, and whether the party should continue to broaden democracy and openness or to limit this? The party Central Committee Political Bureau's conclusion affirmed that the struggle against negativism in state agencies and society over the past 2 years has obtained some results, but not meeting the set requirements. As a result, various echelons of party committees, sectors, and mass organizations should draw on experiences to strengthen their leadership to carry out this campaign correctly and more satisfactorily. We should create favorable conditions for newspapers to continue their open criticism by raising and strongly denouncing before the public all negative cases and degenerate cadres, while struggling against unhealthy life-styles and bad practices in society and against hoodlums and illegal traders.

It is noteworthy that in struggling against negativism, we must carry out detailed analyses to criticize obsolete management mechanisms, discover negative phenomena, encourage localities to satisfactorily apply the new management mechanism so as to diminish negativism. We must ensure accuracy in order to bring about positive results, enhance the people's confidence in the party leadership, strengthen the people's sense of responsibility in strengthening the revolutionary authority and motivate them to struggle positively to build a new system along the socialist line. Various agencies concerned must seriously and promptly deal with negative cases.

Democratic and open characteristics contained in activities of the party, mass organizations, popular elected organizations, and state agencies must be broadened in society and stressed on newspapers. The present requirements call for us to develop the intellect of our party cadres and members and of our laboring people's strata to contribute to the renovation effort; to enhance the sense of responsibility by not only conducting criticism but also positively contributing constructive ideas and

experiences to resolve arising issues; to maintain our consciousness in implementing party resolutions and state policies; to abide by the law; and to protect secrecy of the revolution.

Based on the appraisal of the current situation and requirements of new tasks, the party Central Committee Political Bureau decided that we must strengthen leadership over and management of ideological work to positively serve the renovation effort, thereby contributing to implementing resolutions of the party. All echelons of party committees, the administration, mass organizations; and propaganda, educational, cultural, and literature and art agencies must firmly grasp the content of the party Central Committee Political Bureau's conclusion in order to carry out the ideological work effectively, thereby helping to create firm confidence, consolidate united thought and action in the entire party, and accelerate the advancement of the renovation.

**Military Technology Cooperation With USSR**  
*BK1012122188 Hanoi QUAN DOI NHAN DAN*  
*in Vietnamese 8 Nov 88 p 1*

[Report by Xuan Vinh]

[Text] On the occasion of the commemoration of the 10th anniversary of the SRV-USSR Treaty of Friendship and Cooperation, the Military College organized a seminar on military science to assess the relations of friendship and cooperation between the two countries in all fields: economic, cultural, social, and military science and technology.

Attending the seminar, on the Vietnamese side, were generals and officers representing the VPA, the National Defense Ministry, and lecturers of the Military College; on the Soviet side were generals, officers, and military attaché of the Soviet Embassy in Vietnam; and many other military science cadres of the two armies. Many of the delegates' reports highlighted the effective cooperation between the two countries and armies in all fields, especially the Soviet heartfelt assistance in training and fostering Vietnamese military science and technical cadres. Through cooperation programs, many army officers of the two countries have learned from each other and drawn on valuable lessons in building modern military science for their armies.

The Soviet delegates raised the necessity for renovation (restructuring) in all aspects of the military, with emphasis given to tasks aimed at promoting openness and strengthening democracy and army regulations and discipline. One Soviet delegate, in a spirit of sincerity and friendship, proposed: "We must frankly review shortcomings in our cooperation, which at times and in some aspects, has not been carried out seriously. Large volumes of Soviet materials and equipment provided to or exchanged with Vietnam have not been seriously exploited, while their deliveries were sometimes delayed and wasteful."

The seminar also discussed many aspects concerning friendship and cooperation programs designed for the near future.

**CPV Delegation Attends Portuguese CP Congress**  
*BK1012025488 Hanoi VNA in English 1514 GMT*  
9 Dec 88

[Text] Hanoi VNA Dec. 9—A delegation of the Communist Party of Vietnam led by Tran Xuan Bach, Politburo member and secretary of the party Central Committee, attended the 12th congress of the Portuguese Communist Party [PCP] held in Porto city from Dec. 1-4.

The delegation was received by Alvaro Cunhal, general secretary of the PCP.

On Dec. 2, Tran Xuan Bach delivered his speech of welcome at the congress.

The CPV delegation left for home on Dec. 6.

**'Arafat Expresses Thanks for Recognition**  
*BK1312052588 Hanoi Domestic Service in Vietnamese*  
1430 GMT 12 Dec 88

[Text] PLO Central Committee Chairman 'Arafat recently sent a letter to Vietnamese Council of State Chairman Vo Chi Cong, thanking Vietnam for its

prompt recognition of the Palestinian state and informing the latter of the outcome of the 19th meeting of the National Palestinian Council in Algiers. The letter reads in part as follows:

On behalf of the Palestinian people and the PLO Central Committee and on my own behalf, I would like to extend to you the government, and the friendly people of Vietnam my deep gratitude for the SRV's high evaluation in recognizing the Palestinian state whose founding was declared on 15 November 1988 at the 19th special meeting of the National Palestinian Council.

The recognition of the Palestinian state by the SRV and its support for our Palestinian people at the international forums have enhanced opportunities for equitable peace and have also reflected the friendship and unshakable solidarity given by the friendly SRV under your comrade's clear-sighted and staunch leadership to our Palestinian people's just struggle.

**\* Rubber Department Owes 7 Billion Dong in Wages**  
*42090075 Hanoi LAO DONG in Vietnamese*  
10 Nov 88 p 1

[Text] In the first 10 months of 1988, wages for workers in the rubber industry were usually 2 to 3 months late. This is because state banks in the provinces did not have sufficient cash to cover wages for rubber companies within their jurisdiction. As of 10 October 1988, not including wages paid in merchandise, the cash amount still due workers in the sector amounted to 7 billion dong. The Dong Nai Rubber Co alone is short nearly 2 billion dong.

## Fiji

### **Army Warns of Takeover If Constitution Not Adopted** *BK1112082588 Melbourne Overseas Service in English 0800 GMT 11 Dec 88*

[Text] Fiji's Army commander, Major General Sitiveni Rabuka, repeats a warning that the military is prepared to retake control of the country if the draft constitution now being considered is not accepted. Gen Rabuka also said the Army was prepared to introduce its own constitution if asked to by the traditional leaders in Fiji's Great Council of Chiefs which is scheduled to meet in Suva early next year.

About 2 months ago, Gen Rabuka said several times in public that the military could take over the government again if the current draft constitution failed to be adopted. The draft would enshrine the political dominance of Fiji's indigenous community over ethnic Indians.

In his latest speech, Gen Rabuka said the Army did not tolerate any attempt to remove the chief system or the rights of indigenous Fijians.

### **Finance Minister Announces 1989 Budget** *BK1312115488 Hong Kong AFP in English 1140 GMT 13 Dec 88*

[Text] Suva, Dec 13 (AFP)—The Fiji Government announced Tuesday a deficit of 539.8 million Fijian dollars (383.3 million U.S.) for next year and promised Fijians more pay and cheaper goods.

Announcing the budget at a news conference, Finance Minister Josefata Kamikamica said government expenditure in calendar 1989 would be up by 9.3 per cent on this year's 350.5 million U.S.

Mr. Kamikamica said civil servants would receive wage increases of 10.9 per cent while employees in the private sector could negotiate to have their wages restored to pre-cuts levels.

Wages were cut after the two military coups in Fiji last year.

Mr. Kamikamica also announced that duty on imported food would be reduced from 35 to 30 per cent and duty on clothing cut from the current 80 per cent to 30 per cent.

Duty on motor vehicles and spare parts would be reduced to help the ailing motor industry while duty on items such as kerosene refrigerators, lighting equipment and seeds would be cut by up to 30 per cent to help rural and farming communities.

Mr. Kamikamica said a drop in the current inflation rate of 13 per cent to eight per cent next year should also see a fall in the price of general food items.

In forecasting the economic outlook, Mr. Kamikamica said sugar exports and tourism would strongly influence Fiji's recovery.

"Government's financial position which deteriorated sharply in 1987 has been contained in 1988 resulting from tight expenditure policies and improvement in government revenue," he said.

The finance minister said foreign reserves were at an all time high of 330 million Fijian dollars (234.3 million U.S.) and gross domestic product was forecast to grow 3.5 per cent after having fallen 10.3 per cent since 1987.

He said tourism arrivals were expected to rise another 20,000 from the current 200,000 which would increase earnings by another 26 million Fijian dollars (18.5 million U.S.) from the current 171.7 million (121.9 million U.S.), and exports in timber, fish, garments and cocoa beans would also increase.

Mr. Kamikamica declined to give details of defence spending but said the government was concerned that some 2,000 Fijian soldiers serving with peace-keeping forces in the Middle East were owed about 20 million Fijian dollars (14.2 million U.S.). The government would pursue the matter, he said.

## New Caledonia

### **Melanesians Block Mine To Force Profit Sharing** *BK1312130388 Hong Kong AFP in English 1231 GMT 13 Dec 88*

[By Bernard Degioanni]

[Text] Nepoui, New Caledonia, Dec 13 (AFP)—Melanesian youths in New Caledonia have been blockading a nickel mine here for a week, demanding that profits be shared with the local tribe in line with an agreement on the future of the French Pacific territory.

About 10 young Melanesians, belonging to the pro-independence Caledonian Union (UC), a component of Jean-Marie Tjibaou's Kanak Socialist National Liberation Front (FLNKS) have blocked the access to the Sireis nickel mine, 250 kilometers (150 miles) north of the capital of New Caledonia, Noumea.

The youths, from the Ouate tribal district, have laid tree branches across the only road leading to the mine, preventing workers, most of them European settlers, from entering the mine.

Roadblocks are a common form of protest in the territory but this is the first time pro-independence activists have demonstrated to demand that the Matignon Accords on the future of the territory be applied.



The accords, signed in June by France's Socialist Premier Michel Rocard, Mr. Tjibaou, who also heads the UC, and settlers supporting continued French rule, were approved in a referendum in France and New Caledonia on November 6.

They outline the terms for French rule over New Caledonia leading up to a local referendum on independence in 1998.

The agreed strategy for the next 10 vital years is to use the New Caledonian economy to put in place institutions needed to ultimately ensure independence.

Pascal Naouna, son of the chief of the Ouate tribe, said: "The Matignon accords stipulate that there must be sharing. Our homeland has been torn up by 20 years of mining here and we have had no say in it and have drawn no economic benefit from it."

Unlike at previous blockades, the pro-independence protesters are not calling for an armed fight or to "chase out the whites," but talks of the economy, investments and job creation.

"We want the Matignon accords carried out. We have 10 years to prove that we are capable of ruling ourselves. Why not start now. The time of promises that are never kept is over," Mr. Naouna, a UC official, said, flanked by young Melanesians with their hair in dreadlocks and tribal elders.

The FLNKS, which groups six pro-independence parties on the island, supports the blockade. FLNKS official Leopold Joredie visited the site Monday.

The mining contract covers 100,000 tonnes. With administrative documents as proof, the protesters are demanding the revenue from 22,000 tonnes, or eight million francs (1.3 million dollars) from the company, which took over the mine in August after five years of inactivity.

"We want a part of the income because it is our land they are mining. We want money to be able to invest it in the mine and in agricultural projects. We too want to learn about management, start business, take part in the administration because money is the basis for everything," Mr. Naouna said.

Mr. Naouna lashed out at European mining activity, the principal resource in New Caledonia, the world's fourth largest producer of nickel.

"The Europeans began mining here 20 years ago without any consideration for our existence. My father, who is chief of the tribe, was the only Ouate Melanesian to be employed there. The whites built houses for themselves with electricity and running water. We were left in our reserve with the toxic wastes and their indifference," he said.

The blockade represents for the 80 residents of Ouate a social claim "with no political motive." At the beginning, the conflict revolved around demands for jobs for tribe members, repairs to the road and profit sharing.

"We have made concessions and we have reached an agreement on the first two points. But we will not give up before we have sharing of profits," Mr. Naouna said.

The tribal elders, whose consent is required in Melanesian custom for anything to be done, are supporting the youths. "But, our determination convinced them that the action was necessary. They are used to threats from the whites, so they are cautious. It's up to us to show them that the power has shifted," Mr. Naouna said.

#### **French Minister Briefs Press on Visit**

*BK0912103688 Hong Kong AFP in English 1029 GMT 9 Dec 88*

[Text] Noumea, Dec 9 (AFP)—French Minister of Overseas Departments and Territories Louis le Pensec wound up a five-day visit to New Caledonia Friday saying he was convinced that local people had confidence in the future.

Mr. Le Pensec told journalists that he believed local people had faith in the "momentum" launched by the Matignon accords on the future of the French Pacific territory.

"This drive should be pursued," he said, while calling on the people of New Caledonia "to roll up your sleeves and get down to building the (Caledonia) of the future."

Mr. Le Pensec's visit here comes a month after French and New Caledonian voters ratified by referendum a plan for the future of New Caledonia.

The plan, which had its origins in the Matignon accords, was agreed on by pro- and anti-independence leaders in France in August.

It provides for a local referendum in 1998 on independence.

Mr. Le Pensec said the accord allows development in New Caledonia and a reduction in inequalities between the indigenous Melanesian, or Kanak, population and European settlers to begin before July 1989 when three largely autonomous provinces are to be set up under the accord.

The French official had earlier in his visit announced that Paris planned to spend 125.5 million dollars in developing deprived areas of New Caledonia, including developing the road system over the next five years and setting up an electricity grid to serve rural areas.

He had also stressed in talks with local elected officials that the state would contribute towards all serious efforts to develop the economy.

Mr. Le Pensec said, in an apparent bid to reassure the European Community, that the "realignment" of the territory would "not be to the detriment of Noumea."

The settler community here generally voted against accepting the Matignon accords in last month's referendum.

Mr. Le Pensec said: "State impartiality constitutes a pillar of the Matignon accords."

He added that the French Government would use its power to ensure that all ethnic groups in New Caledonia had equal opportunities.

### New Zealand

#### Government Rejects Naval Arms Advice

BK1012133488 Auckland THE NEW ZEALAND  
HERALD in English 5 Dec 88 p 2

[By John Armstrong]

[Text] The Government has rejected naval advice which advocated building the ANZAC [Australia and New Zealand Army Corps] frigates with extensive air defence and anti-submarine systems plus protection against nuclear and chemical contamination.

Instead the \$500 million warships will be armed with a general-purpose gun and standard anti-submarine capabilities—sonar, torpedoes and helicopter.

The limit on armaments has been spelt out in an information paper issued by the Minister of Defence, Mr Tizard, yesterday.

The paper, which argues the reasons behind the ANZAC ship project, is designed to take the heat out of debate during this week's visit by the Australian Minister of Defence, Mr Beazley.

While it says the Navy cannot be limited to a "coast-guard" role, building the ships close to standard NATO specifications cannot be justified.

"Armament will be light by contemporary standards.

"Air defence capability will be limited, though with provisions for upgrading if necessary."

The weapons question is particularly relevant because some trade unions have rationalised acceptance of the project, and the promised jobs it will bring, on the basis of the ships being "defensive," rather than "offensive."

It will also be vital in ensuring the project comes in within cost estimates, which the paper says are critical.

"There is great pressure on New Zealand defence funding, particularly since the \$40 million cut in the base funding level made in the 1988 budget round.

"The situation is exacerbated by the backlog in major equipment procurement. Heavy expenditure on replacement aircraft and ships is forecast for the next decade."

Tackling the strategic justification for the vessels, the paper says there has been a reluctance to look beyond immediate needs.

While the Soviet Union faces "resource constraints" in maintaining a global military presence, larger regional powers would increasingly play a role in South-east Asia.

The paper tiptoes around who might be playing this role, saying there are "obvious sensitivities" attached to "specific scenarios."

"There are nevertheless a limited number of situations in which ships engaged in patrol, surveillance or support of ground forces could be exposed to isolated risk of air or submarine attack."

Given that defence policy was now founded on a wider regional role, ships could not be deployed in such situations if they lacked basic self-defence capabilities.

Taking the "coastguard route" would be difficult to reconcile with that role.

"In those circumstances, New Zealand's commitment to a combined Australasian defence effort would look distinctly hollow."

### Papua New Guinea

#### Bougainville Copper Mine Resumes Production

BK1112093088 Hong Kong AFP in English 0924 GMT  
11 Dec 88

[Text] Port Moresby, Dec 11 (AFP)—The huge Bougainville copper mine has resumed production after receiving assurances from the Papua New Guinea Government that there would be no further sabotage, a company official said here Sunday.

The company had received a letter from the government saying that a special cabinet committee had met dissident landowners who had shut down the mine a week ago and that the government was now satisfied the mine would be secure from further sabotage, company secretary Geoffrey Ewing said.

"Production was resumed Saturday and we are up and running," he added.

Production at the Panguna mine was closed down by the company on Monday after a power pylon was destroyed overnight, allegedly by members of a rebel faction of the local landowners' association.

Company buildings were burned and equipment damaged in a campaign blamed on a young faction dissatisfied with the leadership of the traditional chief, whom they accused of being under the thumb of Bougainville Copper and of failing to obtain the best benefits for landowners.

Mr Ewing said there had been no further sabotage since Monday.

The government's letter to Bougainville Copper Managing Director Bob Cornelius Saturday had urged early resumption of production.

It said "the government is satisfied that the threat of further sabotage has been significantly reduced, if not eliminated.

"Taking all factors into account, it is our belief that the early resumption of mine operations would assist in restoring general community confidence."

Panguna accounts for about 42 percent of Papua New Guinea's exports and 16 percent of the government's internal revenue. Its closure threatened budget strategy and foreign investment.

The militants were warned by the government that they could not be allowed to continue their sabotage.

More than 200 police reinforcements had been flown into the area and a platoon of soldiers was placed on standby.

A special cabinet committee subsequently contacted the rebels and on Friday said they had been given guarantees there would be no more attacks on the company.

### Vanuatu

#### Prime Minister Claims Victory in By-Elections *BK1312083388 Melbourne Overseas Service in English 0803 GMT 13 Dec 88*

[Text] Vanuatu's prime minister, Father Walter Lini, has claimed a landslide victory in yesterday's by-elections. Radio Vanuatu says unofficial results indicate that candidates of the ruling Vanuaaku Pati won all 9 seats. This would give Father Lini's supporters at least two-thirds of the seats of the 46-member Parliament.

Radio Vanuatu also said that on counting so far about 44 percent of the eligible voters took part in the by-elections despite a boycott call by the opposition.

Rebel politician, Mr Barak Sope, earlier claimed that the voter turnout was only about 20 percent and demanded that Father Lini resign and call general elections.

Official results of yesterday's by-elections are expected to be announced tomorrow.

#### Government To Prevent Opposition Protest *BK1312102288 Hong Kong AFP in English 1000 GMT 13 Dec 88*

[By Tim Cribb]

[Text] Port Vila, Dec 13 (AFP)—Vanuatu Premier Walter Lini said here Tuesday [13 December] that the government would prevent opposition parties from going ahead with a planned demonstration Friday when Parliament is to sit following by-elections.

Father Lini also told a news conference here that an opposition-called boycott of Monday's by-elections had failed.

Fr. Lini said that the 550-strong police and Vanuatu Mobile Force were capable of handling any disturbances on Friday and added that there would be no need to call for outside help. Australia and New Zealand sent riot control equipment to Vanuatu after a riot here in May.

Friday's demonstration has been called by former Immigration and Tourism Minister Barak Sope. Mr. Sope and the opposition Union of Moderate Parties (UMP) called for the boycott of Monday's by-elections and said it appeared to have been successful.

A spokesman for Mr. Sope told reporters Tuesday: "The authorities are pressing the panic button," and added that some 5,000 people were expected to turn up for a "peaceful protest" outside Parliament on Friday.

Earlier, Cabinet Minister Nipake Natapei issued a warning to ship owners and operators not to carry passengers to Port Vila for "a demonstration and riots worse than that of May 16th."

Mr. Sope led a land rights demonstration here on May 16, but the protest led to a riot and one person was killed when drunken Melansians rampaged through Port Vila causing extensive damage.

Fr. Lini dismissed Mr. Sope from the government on May 23.

Fr. Lini told the news conference Monday's by-elections had been successful, saying turnout was expected to be higher than the 50 per cent earlier forecast.

The unofficial count showed that 44 per cent of registered voters cast a ballot, though some polling stations had still to report.

"The eventual and final figures will be over 50 per cent," Fr. Lini said.

"I am happy with the outcome," Fr. Lini said, adding that his Vanuaaku Party (VP) had won all eight seats being contested.

The VP had earlier picked up six uncontested seats in the by-elections, called after all 18 UMP MP's in the 46-seat Parliament were expelled in July for boycotting Parliament in protest at the expulsion of Mr. Sope from the VP.

The Tan Union, a break-away faction of the UMP, collected three uncontested seats, giving it a total five seats as Vanuatu's official opposition party.

One seat attracted no candidates and is to be decided in the new year, as will five other seats made vacant by the resignations of former government members led by Mr. Sope, who heads the Melanesian Peoples' Party (MPP).

The VP is expected to hold 35 seats in Parliament, giving it more than the two-thirds majority needed to alter the Constitution.

Mr. Sope told a news conference Tuesday that Monday's boycott had been a success, though he had no firm figures to back up his claim.

He called on Fr. Lini to resign, adding that if the prime minister did not stand down then negotiations should be held with the MPP and the UMP.

General elections should be called in a year in any case, Mr. Sope said.



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